

CIN : L23200MH1985PLC035187

REGD. OFFICE
51-52, FREE PRESS HOUSE,
FREE PRESS JOURNAL MARG,
NARIMAN POINT,
MUMBAI 400 021.

TEL : (91-22) 2283 3355 / 2283 4182
FAX : (91-22) 2204 9946
E-MAIL : rama@ramagroup.co.in
WEB : www.ramapetrochemicals.com

Ref : RPCL/RDJ/2020
Date : September 5, 2020

To,

Bombay Stock Exchange Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
MUMBAI : 400 001

Name of the Company : **RAMA PETROCHEMICALS LIMITED**
BSE Script Code : **500358**

Dear Sir,

**Sub : Annual Report for the Financial Year 2019-20 and
Notice of 34th Annual General Meeting**

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed the following documents for the Financial Year 2019 - 2020;

- Notice of 34th Annual General Meeting scheduled to be held on Tuesday, 29th September, 2020 through Video Conferencing (VC) / Other Audio Visual Means (OAVM).
- Annual Report 2019 - 2020

You are requested to kindly take the above information on record.

Thanking you,

Yours faithfully,
For RAMA PETROCHEMICALS LIMITED



**R. D. JOG
COMPANY SECRETARY**

Encl : a/a



RAMA PETROCHEMICALS LIMITED
Thirty Fourth Annual Report
2019 - 2020

BOARD OF DIRECTORS

CHAIRMAN & MANAGING DIRECTOR

MR. H. D. RAMSINGHANI

REGISTERED OFFICE

SAVROLI KHARPADA ROAD,
VILLAGE VASHIVALI,

P.O. PATALGANGA,
TALUKA KHALAPUR,
DIST. RAIGAD 410220

MAHARASHTRA

CIN: L23200MH1985PLC035187

Email : rama@ramagroup.co.in

Website: www.ramapetrochemicals.com

Tel.No. 02192 250329 / 251211

Fax : 022-2204 9946

DIRECTORS

MR. SATINDERJITSINGH ARORA

(upto 30/09/2019)

MR. DEONATH SINGH

MR. RAMRAO G. KULKARNI

MRS. N. H. RAMSINGHANI

MR. BRIJ LAL KHANNA

MR P. K. BANERJEE

CORPORATE OFFICE

51/52, FREE PRESS HOUSE,

NARIMAN POINT,

MUMBAI 400 021

Tel.No. (022) 2283 3355/61545100

Fax : (022) 2204 9946

COMPANY SECRETARY

MR R. D. JOG

REGISTRARS AND TRANSFER AGENT

LINK INTIME INDIA PVT LTD

C101, 247 PARK,

L. B. S. MARG,

VIKHROLI (WEST),

MUMBAI 400 083

TEL : (91-22) 49186000

FAX : (91-22) 49186060

EMAIL: rnt.helpdesk@linkintime.co.in

Website : www.linkintime.co.in

AUDITORS

DAYAL & LOHIA

CHARTERED ACCOUNTANTS

MUMBAI

NOTICE

NOTICE is hereby given that the Thirty Fourth Annual General Meeting of the members of RAMA PETROCHEMICALS LIMITED will be held on Tuesday the 29th day of September 2020 at 3.00 p.m. through two way Video Conferencing/Other Audio Visual Means to transact the following business. The venue of the Meeting shall be deemed to be the Registered Office of the Company at Village Vashivalli, Savroli Kharpada Road, P O Patalganga, Taluka Khalapur, District Raigad, Maharashtra 410220.

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - (a) Audited Standalone Financial Statements of the Company for the year ended March 31, 2020 together with the Reports of the Directors and Auditors thereon and;
 - (b) Audited Consolidated Financial Statements of the Company for the year ended March 31, 2020 together with Report of Auditors thereon.
2. To appoint a Director in place of Mrs N H Ramsinghani (DIN 01327609) who retires by rotation and is eligible for reappointment.
3. To appoint M/s Khandelwal & Mehta LLP, Chartered Accountants (Registration Number W100084) as the statutory Auditors in place of the retiring Auditors and to consider, and if thought fit, to pass with or without modification, the following Resolution, as an Ordinary Resolution :

“RESOLVED THAT pursuant to the provisions of Section 139 (2) and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under including any statutory modification or re-enactment thereof for the time being in force M/s Khandelwal & Mehta LLP, Chartered Accountants, Mumbai (Registration Number W100084) be and are hereby appointed as the Statutory Auditors of the Company, in place of the retiring Statutory Auditors M/s Dayal and Lohia, Chartered Accountants, to hold office from the conclusion of this Annual General Meeting up to the conclusion of the Thirty ninth Annual General Meeting on such remuneration as may be finalized by the Board of Directors of the Company on the recommendations of the Audit Committee.”

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s) if any, the following as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149 and other applicable provisions of the Companies Act, 2013, if any, and the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and subject to such approvals, consents and sanctions as may be necessary, Mr. P K Banerjee (DIN – 06757803) be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years and shall hold office as an Independent Director up to the conclusion of the 39th Annual General Meeting in the year 2025.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take all such steps as may be necessary or expedient to give effect to the above resolution.”
5. To consider and if thought fit, to pass with or without modification(s) if any, the following as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with rules, circulars, orders and notifications issued there under and subject to such approvals, consents and sanctions as may be necessary, the consent of the Members be and it is hereby accorded to the Board of Directors (the Board) for selling or otherwise disposing off the whole of the Plant and

Machinery, spares and other accessories situated at the Company's manufacturing unit at Village Vashivalli, P O Patalganga, Taluka Khalapur, District Raigad, Maharashtra."

"RESOLVED FURTHER THAT the Board (which term shall include a committee thereof) be and it is hereby authorized to take all such steps and do all such acts, deeds, matters and things, including the authority to negotiate with prospective buyers, finalize the terms and conditions for the said sale/disposal and execute documents etc, as may be required, necessary and expedient to give effect to the above Resolution to the end and intent that no further approval of the Members shall be required for the sale/disposal as aforesaid."

NOTES

1. In view of the prevailing pandemic situation in the country, the MCA has waived the requirement of holding a physical meeting and hence the Meeting will be held through VC/OAVM.
2. As per the directions issued by SEBI and the MCA, the company would be sending the Annual Report for the financial year 2019-20 along with the Notice of the 34th Annual General Meeting through e-mail to those members who have registered their e-mail IDs with the Company/DP. The Annual Report and the Copy of the Notice will be placed on the website of the Company and also filed with BSE.
3. As per the directions of SEBI and MCA, since the Meeting is being conducted through VC/OAVM, the option of appointing proxies will not be available for this AGM and hence the Proxy form, Attendance Slip and Route Map are not being enclosed with the Notice. However, corporate Members intending to attend and vote at the AGM are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote at the Meeting to the Company and to the Scrutinizer and also to Central Depository Services Limited.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday the 22nd day of September, 2020 to Tuesday the 29th day of September, 2020 (both days inclusive).
5. Relevant documents referred to in the accompanying Notice and the Statements are available for inspection through electronic mode up to the date of the meeting.
6. Members desirous of seeking any information concerning the Accounts are requested to address their queries in advance to the Company mentioning their name, folio/demat account number, email ID and Mobile Number to rdjog@ramagroup.co.in at least seven days before the date of the Meeting. Queries/Questions received after September 22, 2020 will not be considered or responded to at the Annual General Meeting. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending an e mail to rdjog@ramagroup.co.in at least seven days before the date of the meeting.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green initiative in Corporate Governance' and allowed companies to share documents with its shareholders through electronic mode. Members are requested to support this green initiative by registering / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Link Intime India Private Limited.
9. The Company is pleased to provide e-voting facility through Central Depository Services (India) Limited (CDSL) to enable all the Members to cast their votes electronically on the resolutions mentioned in the Notice dated August 14, 2020 for the 34th Annual General Meeting of the Company. The instructions for members voting electronically are given below:

E-Voting System – For Remote e-voting and e-voting during AGM

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide

Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.ramapetrochemicals.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on 25.09.2020 at 9.00 a.m and ends on 28.09.2020 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22.09.2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
 - a. For CDSL: 16 digit beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digit Client ID,

- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
 (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 (viii) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
 (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
 (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
 (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 (xix) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to RTA email id: rnt.helpdesk@linkintime.co.in.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to RTA email id: rnt.helpdesk@linkintime.co.in.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at rdjog@ramagroup.co.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at rdjog@ramagroup.co.in. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; rdjog@ramagroup.co.in , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

The Company has appointed Mr Sanjay Dholakia, Practicing Company Secretary (M No FCS 2655) as the Scrutinizer to conduct the e-voting process in a fair and transparent manner.

The results shall be declared after the Annual General Meeting and the Results along with the Scrutinizers report shall be placed on the web site of the Company and will also be forwarded to the Stock Exchange.

**By Order of the Board
For RAMA PETROCHEMICALS LTD**

Place: Mumbai
Date : August 14, 2020

**R.D. JOG
COMPANY SECRETARY
ACS - 4895**

Corporate Office :
51-52, Free Press House,
Nariman Point, Mumbai 400021
Tel: 91 22 22834123
Fax: 91 22 22049946
CIN No. L23200MH1985PLC035187
E-mail: rama@ramagroup.co.in
Website: www.ramapetrochemicals.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 WITH REFERENCE TO THE SPECIAL BUSINESS SPECIFIED IN THE NOTICE CONVENING THE THIRTY FOURTH ANNUAL GENERAL MEETING OF THE COMPANY.

ITEM NO 4

Mr. P K Banerjee (DIN – 06757803) was appointed as an Additional Director by the Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, at their meeting held on August 14, 2020 and holds office as a Director up to the date of the forthcoming Annual General Meeting.

It is proposed to appoint Mr. P K Banerjee as an Independent Director not liable to retire by rotation for a term of five years. The Company has received a notice in writing from a member proposing the candidature of Mr. P K Banerjee for the office of Director.

Mr. P K Banerjee is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

In the opinion of the Board, Mr. P K Banerjee (Reg No IDDB-DI-202008-030469) fulfills the conditions specified in Section 152 of the Act and rules made there under for his appointment as Independent Director of the Company.

The Company has also received declaration from Mr. P K Banerjee that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Rules made thereunder.

The draft letter of appointment of Mr. P K Banerjee as an Independent Director setting out terms and conditions is open for inspection electronically until the date of the Annual General meeting or any adjournment thereof Mr. P K Banerjee holds two Equity Shares of the Company.

Except Mr. P K Banerjee being the appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financially or otherwise, in this Resolution.

ITEM NO 5

As the Members are aware the manufacturing unit of the Company at Patalganga has remained closed for more than twenty years due to non-availability of feed stock. As the plant and machinery used in the manufacture of Methanol is of a highly corrosive nature and the same could have been corroded/damaged in the last twenty years or so during which it was lying unused. The plant is also of a hazardous nature and since it was not in operation for last twenty years or so, there is a risk that it could catch fire or collapse or any other kind of accidents can happen given the uncertainty about its present condition due to long period during which it was lying idle. It is therefore proposed sell/dispose off the Plant and Machinery including spares and other accessories lying at the Plant subject to such approvals, consents and sanctions as may be necessary. An enabling Resolution is therefore placed before the Members for their approval. All the Directors and the Key Managerial Personnel along with their relatives may be deemed to be concerned or interested in the resolution to the extent of their shareholding, if any.

**By Order of the Board
For RAMA PETROCHEMICALS LTD**

Place: Mumbai
Date : August 14, 2020

**R.D. JOG
COMPANY SECRETARY
ACS - 4895**

Corporate Office :
51-52, Free Press House,
Nariman Point, Mumbai 400021
Tel: 91 22 22834123
Fax: 91 22 22049946
CIN No. L23200MH1985PLC035187
E-mail: rama@ramagroup.co.in

INFORMATION PURSUANT TO SEBI (LODR) REGULATIONS, 2015

As required under the SEBI (LODR) Regulations, 2015, the particulars of Directors who are proposed to be Appointed/Re-appointed at the forthcoming Annual General Meeting are as under:

1. Mrs. N H Ramsinghani (DIN 01327609) is a Director of the Company since March 31, 2015. Mrs Ramsinghani has over thirty five years of rich and varied experience in the field of business and International Trade. She has successfully set up and managed several trading houses in the Middle East and the USA. She does not hold any shares of the Company. She is a member of the Stakeholders Relationship Committee and the Share Transfer Committee of the Board.
2. Mr P K Banerjee (DIN – 06757803) is a Director of the Company since August 14, 2020. Mr Banerjee has over twenty five years of rich and varied experience in the field of chemicals and petrochemicals He holds two Equity shares of the Company and is not a member of any Committees of the Board.

DIRECTOR'S REPORT

Your Directors have pleasure in presenting the Thirty Fourth Annual Report together with the Audited Financial Statements for the year ended March 31, 2020.

FINANCIAL RESULTS

(₹ in lacs)

	STANDALONE		CONSOLIDATED	
	YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019	YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019
Profit/(Loss) before Depreciation	(289.43)	134.87	(283.46)	129.75
Depreciation	1.89	2.38	2.08	2.57
Profit/(Loss) before tax and extraordinary items	(291.32)	132.49	(285.54)	127.18
Extraordinary Items	715.00	Nil	Nil	Nil
Profit/(Loss)) for the year	423.68	132.49	(285.54)	127.18
Other comprehensive income /(expense)	(1.67)	(0.71)	(1.67)	(0.71)
Total Comprehensive Profit/(Loss) for the year	422.01	131.78	(287.21)	126.47

BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR AND THE STATE OF COMPANY'S AFFAIRS

There was no production or sale of Methanol during the year under review. The manufacturing operations of the Company continued to be suspended during the entire year under review. The segment wise details are given in the notes forming part of the Accounts.

DIVIDEND

Your Directors regret their inability to recommend any dividend for the year under review. No appropriation has been made to any specific reserve during the year under review. Dividend Distribution Policy is not applicable to the Company.

As the Company has not declared any dividend since the year 1988, there are no amounts which are required to be transferred to the IEPF Account as on the date of this Report.

SHARE CAPITAL

There was no change in the Equity share capital structure of the Company during the year under review. The Company does not have an Employee Stock Option Scheme nor are there any shares which are held in trust for the benefit of employees of the Company.

The Company does not have outstanding Warrants or Debt instruments as on the date of the Report and hence Credit Rating provisions are not applicable.

FUTURE PROSPECTS

Future of methanol plants in the country depends upon the availability of feed stock viz. natural gas from domestic production at competitive prices. In the absence of this the demand of methanol is being met by imports because the domestic plants are not being operated due to feed stock constraints. At present the supply of domestic gas is not even sufficient to meet the demand of power, fertilizer and other core sectors. Hence the allocation of gas for methanol manufacture is uncertain in the near future.

CORPORATE GOVERNANCE

A Report on Corporate Governance along with the Auditor's Certificate regarding Compliance of the conditions of Corporate Governance pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015 is annexed hereto.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013 the Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. Appropriate policies have been selected and applied consistently and have 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 March 31, 2020 and the profit of the Company for the year ended March 31, 2020;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The annual accounts have been prepared on a going concern basis;
5. Internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively; and
6. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

AUDIT COMMITTEE

The Company has constituted an Audit Committee comprising of the following Directors viz., Mr. R. G. Kulkarni - Chairman, Mr. H. D. Ramsinghani and Mr. B.L. Khanna. All the members of the Audit Committee are financially literate and have experience in financial management. The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board. There were no instances when the recommendations of the Audit Committee were not accepted by the Board during the year under review.

OTHER COMMITTEES

The Stakeholders Relationship Committee presently consists of Mr. R. G. Kulkarni (Chairman), Mrs. N. H. Ramsinghani and Mr. D.N. Singh and The Risk Management Committee presently consists of Mr. H. D. Ramsinghani (Chairman), Mr. D N Singh and Mr. R. G. Kulkarni. The Board has formulated a Risk Management Policy covering various risks associated with the business of the Company.

The Nomination and Remuneration Committee comprises of Mr. R.G. Kulkarni (Chairman), Mr. H.D. Ramsinghani and Mr. B.L. Khanna.

The Company has not constituted a Corporate Social Responsibility Committee as the Company does not fulfill the prescribed criteria.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Rama Capital and Fiscal Services Pvt. Ltd. is a wholly owned subsidiary of the Company which is engaged in the business of providing financial services. The turnover of the subsidiary during the year under review was ₹ 8,32,055/- and the profit after tax was ₹ 5,77,381/-. There were no other entities which became or ceased to be subsidiaries, associates or joint ventures during the year under review.

DISCLOSURES

Information relating to the conservation of energy, technology absorption, foreign exchange earnings and outgo to the extent applicable, is annexed hereto as Annexure A and forms a part of this Report.

The Managing Director was paid a remuneration of ₹ 36.00 lakh during the year under review. No remuneration was paid to the non-executive Directors other than sitting fees for attending meetings of the Board or committees thereof. The Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto as Annexure B and forms a part of the Report. The details pertaining to remuneration as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto as Annexure C and forms a part of the Report.

Details of loans, guarantees and investments, if any, are given under the Notes to Financial Statements.

All transactions entered in to with Related Parties during the year under review were in the ordinary course of business and at an arms length at prevailing market rates.

There were no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

There is no change in the nature of the business of the Company during the year.

No material changes or commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and to the date of this report.

The Company has formulated a Whistle Blower Policy under which all personnel have access to the Audit Committee to report genuine concerns or grievances relating to the business activities of the Company in general.

There were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the year under review.

DIRECTORS

During the year under review, four Board Meetings were held on May 30, 2019, August 12, 2019, October 24, 2019 and February 4, 2020.

Mr S S Arora ceased to be a Director of the Company during the year under review. The Board places on record its appreciation of the contribution made by Mr Arora during his association with the Company. Mr P K Banerjee was appointed as an Additional (Independent) Director at the Meeting held on August 14, 2020 and holds office up to the date of the forthcoming Annual General Meeting. Mrs. N H Ramsinghani retires from the Board of Directors by rotation and is eligible for re-appointment.

The Board of Directors has framed a policy in relation to remuneration of directors, Key Managerial Personnel and Senior Management and it lays down criteria for selection and appointment of Board Members. The details of the policy are available on the website of the Company www.ramapetrochemicals.com.

The independent Directors of the Company are informed about their roles, rights, responsibilities in the Company and also about the nature of the industry in which company operates and other related matters. The details of the familiarization program are available on the website of the Company www.ramapetrochemicals.com.

The performance evaluation of the Board of Directors as a Whole was carried out by the Directors of the Company in their meeting held on February 4, 2020. The criterion for evaluation are available on the website of the Company www.ramapetrochemicals.com.

AUDITORS

M/s. Dayal & Lohia, the Auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting. However as per provisions of Section 139(2) of the Companies Act, 2013 read with the Rules framed there under, M/s. Dayal & Lohia are ineligible for re appointment having completed the maximum tenure prescribed under the Rules and hence it is proposed to appoint M/s Khandelwal & Mehta LLP, Chartered Accountants, Mumbai (Registration Number W100084) as the Auditors of the Company for a period of five years up to the conclusion of the 39th Annual General Meeting. The Audit Committee has recommended the appointment of M/s Khandelwal & Mehta LLP as the Auditors of the Company. The Company has received a certificate from M/s Khandelwal & Mehta LLP certifying that their appointment, if made, would be in compliance with all the applicable provisions of the Companies Act, 2013.

STATUTORY AUDITORS REPORT

Your Directors refer to the observations made by the Auditors in their Report and wish to state that the management is hopeful that the Company would be able to continue its operations in the foreseeable future in the normal course of business and hence, the accounts have been prepared on a going concern basis. In view of the above the impact of the observations on the financial statements for the year under review is not ascertainable.

INTERNAL AUDIT

The Company has appointed M/s. H. G. Sarvaiya & Co., Chartered Accountants as the Internal Auditors and their scope of work includes review of processes, operational efficiency and effectiveness of systems and processes and assessment of adequacy of internal controls and safeguards apart from specific operational areas as per the directions of the Audit Committee. The findings of the Internal Auditor are reviewed by the Audit Committee at each meeting and corrective measures are taken from time to time as per the directions of the Audit Committee.

CORPORATE SOCIAL RESPONSIBILITY

The provisions relating to Corporate Social Responsibility do not apply to the Company as the Company does not meet the criteria laid down in Section 135 of the Companies Act, 2013.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate system of internal controls that are commensurate with its size and nature of business to safeguard and protect the Company from losses and unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and ensuring timely reporting of financial statements. There were no frauds reported by the Auditors of the Company as on the date of this Report.

SECRETARIAL AUDIT

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Rules made thereunder, the Company has appointed Mr. Jignesh M Pandya & Co. (Membership No. ACS 7346/CP 7318) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed hereto as Annexure D and forms a part of this Report. The directors refer to the qualifications in the Secretarial Audit Report and wish to state that the company has taken steps to comply with the requirements of Regulation 17(1)(b) of LODR, 2015 .

COST AUDIT

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended till date, the Company was not required to undertake an audit of the cost records for the year under review.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in Form MGT 9 pursuant to the provisions of Section 92 of the Companies Act, 2013 is annexed hereto as Annexure E and forms a part of this Report.

WEB ADDRESS

The Annual Return referred to in Section 92(3) of the Companies act, 2013 and other details about the Company are available on the website of the Company www.ramapetrochemicals.com.

FIXED DEPOSITS

The Company has not accepted any public deposits and as such no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

SAFETY, ENVIRONMENTAL CONTROL & PROTECTION

The Company has taken all the necessary steps for safety and environmental control and protection.

INDUSTRIAL RELATIONS

The Industrial Relations remained cordial during the year under review.

ACKNOWLEDGEMENT

Your Directors sincerely record their appreciation with gratitude for the continued support and assistance extended to the Company by the Banks and various Government Departments and Agencies.

For and on behalf of the Board

H.D. RAMSINGHANI

CHAIRMAN AND MANAGING DIRECTOR

DIN: 00035416

Place : Mumbai

Date : August 14, 2020

ANNEXURE A TO BOARD REPORT

PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND ADAPTATION AND FOREIGN EXCHANGE EARNING AND OUTGO

I. CONSERVATION OF ENERGY:

- A. Energy conservation measures taken :
- B. Additional investment proposals, if any, being implemented for reduction of consumption of energy :
- C. Impact of measures at (A) and (B) above for reduction of Energy Consumption and consequent impact on the cost of production of goods :

Not Applicable as the Plant was closed during the entire year under review.

- D. Particulars with respect to energy consumption per unit of production:

a) POWER AND FUEL CONSUMPTION	2019- 2020	2018-2019
1) ELECTRICITY :		
A) Purchased (MSEB) Units (in Thousand) Total cost (₹ in lacs) Rate per Unit (₹)	50.577 6.46 12.78	56.740 7.28 12.83
B) Own Generation :		
Through Diesel Generation Units (in Thousand) Units/KL of Diesel Cost/Unit (₹)	NIL NIL NIL	NIL NIL NIL
Through Steam Turbine/Generator Units (in Thousand) Units/Lt Of Fuel Oil, Gas Cost/Unit	N.A NIL N.A N.A	N. A NIL N.A N.A
2) COAL	NIL	NIL
3) FURNACE OIL	NIL	NIL
b) CONSUMPTION PER UNIT OF PRODUCTION		
Consumption/ton of Methanol Electricity (KWH) Furnace Oil Coal Other – Diesel Oil (KL)	N.A N.A N.A N.A N.A	N.A N.A N.A N.A N.A

II. TECHNOLOGY ABSORPTION :

A. RESEARCH AND DEVELOPMENT (R & D)

- a) Specific areas in which R & D is carried out by the Company :
- b) Benefits derived as a result of R & D :
- c) Future Plan of Action :

Not Applicable as the Plant was closed during the entire year under review.

d) Expenditure on R & D	(₹ in lacs)
i) Capital	NIL
ii) Recurring	NIL
iii) Total	NIL
iv) Total R & D expenditure as a percentage of total turnover	N.A.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

- a) Efforts in brief made towards technology absorption, adaptation and innovation:
- b) Benefits derived as a result of above efforts :

Not Applicable as the Plant was closed during the entire year under review.

- c) Information of Imported Technology :

Technology Imported: Low pressure technology for manufacture of Methanol from M/s. Lurgi GmbH, Germany.

Year of Import: 1987 – 88

Whether the technology has been fully absorbed.

In terms of the scope of agreement with the technical collaborator, the technology has been fully absorbed.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO:

	(₹ in lacs)
Foreign Exchange used	NIL
Foreign Exchange earned	NIL

For and on behalf of the Board

H. D. RAMSINGHANI
CHAIRMAN AND MANAGING DIRECTOR
DIN : 00035416

Place : Mumbai
Date : August 14, 2020

ANNEXURE 'B' TO BOARD REPORT

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	Ratio of the remuneration of the Managing Director to the median remuneration of the employees of the company for the financial year was 5.45
(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	The percentage increase in remuneration was in line with Industry Standards.
(iii) The percentage increase in the median remuneration of employees in the financial year.	The percentage increase in the median remuneration of other employees was in line with Industry Standards.
(iv) The number of permanent employees on the rolls of company;	7
(v) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average percentage increase in salaries of other employees was in line with percentage increase in the managerial remuneration as per Industry Standards.
(vi) Affirmation that the remuneration is as per the remuneration policy of the company.	The remuneration is as per the remuneration policy of the company.

For and on behalf of the Board

H. D. RAMSINGHANI
CHAIRMAN AND MANAGING DIRECTOR
DIN : 00035416

Place : Mumbai
Date : August 14, 2020

ANNEXURE 'C' TO BOARD REPORT

PARTICULARS OF REMUNERATION AS REQUIRED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- A. Employed for the entire year under review and were in receipt of Remuneration of not less than ₹ 1,02,00,000/- - NIL -
- B. Employed for a part of the year under review and were in receipt of Remuneration of not less than ₹ 8,50,000/- p m. - NIL -
- C. Details of Top 10 employees in terms of remuneration drawn as on 31.03.2020 will be provided on request

For and on behalf of the Board

H. D. RAMSINGHANI
CHAIRMAN AND MANAGING DIRECTOR
DIN : 00035416

Place : Mumbai
Date : August 14, 2020

ANNEXURE 'D' TO DIRECTOR'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st March 2020

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

To,
The Members,
RAMA PETROCHEMICALS LIMITED
Mumbai.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RAMA PETROCHEMICALS LIMITED** (hereinafter called the company). 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 the 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 2020** 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:

The manufacturing operations of the Company are suspended from the year 1999.

- A. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2020 according to the provisions of:
- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; The same is not applicable as there were no transactions during the year under review.
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; There were no issue of securities during the year under review.
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ; There were no ESOPS issued during the year under review.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; There were no debts were raised during the year under review
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; There were no proposal for delisting of its Equity shares during the year under review. and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; There were no Buy Back of its Equity shares during the year under review.
 - (vi) I have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure I.
- B. I have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - The Company has complied with the various applicable provisions of said SEBI Regulations.

I further report that subject to our observation in para B (ii), *except that the composition of the Board is not in accordance with Regulation 17(1)(b) of SEBI ((Listing Obligations and Disclosure Requirements) Regulations, 2015.* 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 decisions of the Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

I 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.

This Report is to be read with my letter of even date which is annexed as Annexure II and forms an integral part of this Report.

For JIGNESH M.PANDYA & CO.

(JIGNESH M. PANDYA)

Practising Company Secretary

Proprietor

Membership No. A7346 /CP No. 7318

UDIN: A007346B000579060

Date: August 14, 2020

Place: Mumbai

Annexure I

List of applicable laws to the Company

Under the Major Groups and Heads are as follows:-

1. Factories Act, 1948;
2. Industries (Development & Regulation) Act, 1951;
3. The Petroleum Act, 1934
4. Indian Explosives Act, 1984
5. Bombay Village Panchayat Act, 1958
6. Labour Laws and other incidental laws related to labour and employees appointed by the company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
7. Acts prescribed under prevention and control of pollution;
8. Acts prescribed under Environmental protection;
9. Acts as prescribed under Direct Tax and Indirect Tax;
10. Land Revenue laws of respective States;
11. Labour Welfare Act to respective States;
12. Trade Marks Act 1999 & Copy Right Act 1957;
13. The Legal Metrology Act, 2009;
14. Acts as prescribed under Shop and Establishment Act of various local authorities.
15. Local Laws as applicable to various offices and plants;
16. The Competition Act, 2002;
17. Boiler Act, 1923.
18. The Companies Act, 2013
19. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
20. Reserve Bank of India Act, 1934
21. FEMA ACT
22. Goods and Services Tax Act, 2017 (GST)
23. Customs Act, 1962
24. Income Tax Act, 1961 and Income Tax Rules, 1962
25. Depositories Act, 1996 and SEBI (Depositories and Participants) Regulation, 1996
26. SEBI Act and following regulations
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/ SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme And Employee Stock Purchase Scheme) Guidelines, 1999/ SEBI (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 27. SEBI LODR Regulations 2015
 - 28. Payment of Bonus Act, 1965 and Payment of Bonus Rules, 1975
 - 29. Payment of Gratuity Act, 1972
 - 30. Payment of Wages Act, 1936

For JIGNESH M.PANDYA & CO.

(JIGNESH M. PANDYA)
Practising Company Secretary
Proprietor

Membership No. A7346 /CP No. 7318
UDIN: A007346B000579060

Date: August 14, 2020

Place: Mumbai

Annexure II

To,
The Members,
RAMA PETROCHEMICALS LIMITED
Mumbai.

My report 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the practices and processes, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. I have reported, in my audit report, only those non-compliances which in my opinion, are material and having major bearing on financials of the Company.

For JIGNESH M.PANDYA & CO.

(JIGNESH M. PANDYA)
Practising Company Secretary
Proprietor

Membership No. A7346 /CP No. 7318
UDIN: A007346B000579060

Date: August 14, 2020

Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

Though the methanol requirement in the country is increasing, no new plants are coming up and also the existing plants are not operating to their capacity due to non-availability of feed stock viz. natural gas at competitive prices. As methanol is a building block chemical, some policy frame work by Govt. of India is needed in support of methanol manufacturing companies.

2. OPPORTUNITIES AND THREATS

Since the domestic demand for methanol is being fulfilled by import, it would be difficult to restart plant since viability will be only on natural gas as feed stock at competitive rates which is not available as of now.

3. SEGMENTWISE PERFORMANCE

The segment wise details as required by IND AS -108 are given in the notes forming part of the Accounts.

4. OUTLOOK

Domestic methanol industry outlook depends on availability of natural gas at competitive price.

5. RISKS AND CONCERNS

Availability of natural gas to our industry from domestic supply is only after meeting the requirements of priority sectors, like fertilizer, power and city gas distribution. As such there is huge shortage of gas for these sectors. Therefore, the availability of gas to our sector would be after meeting the requirement of priority sector.

6. INTERNAL CONTROL SYSTEMS

The Company has an adequate system of internal controls that ensures that all assets are protected against loss from unauthorized use or disposition and all transactions are recorded and reported in conformity with generally accepted accounting principles.

7. FINANCIAL PERFORMANCE

During the year under review there was no production and sales as the operations of the Methanol unit remained suspended. The profit for the year after extra ordinary items is ₹ 422.01 lakhs as compared to a profit of ₹ 131.78 lakhs in the previous year.

8. SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

	Standalone		Consolidated	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Debtors turnover ratio	0.02	0.01	0.02	0.01
Inventory turnover ratio	2.05	0.46	1.88	0.46
Interest coverage ratio (Earning before interest and tax / finance cost)	24.28	3.13	(14.67)	3.05
Current ratio	0.71	0.64	0.73	0.65
Debt Equity ratio	1.98	2.49	1.98	2.25
Operating margin ratio (operating profit = profit before tax + depreciation + finance cost+loss on disposal of property, plant - other income/ revenue from operation)	13.27	(8.17)	(5.96)	(8.31)
Net Profit Margin (Profit for the year / revenue from operation)	11.36	6.47	(7.65)	6.01
Return on Net worth (profit for the year/Total Equity)	0.40	0.13	(0.27)	0.12

9. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Human Resources and Industrial relations remained cordial during the year under review.

10. CAUTIONARY STATEMENT

Statements in this Report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include domestic and global prices of Methanol/Naphtha, changes in Government regulations, future availability of gas, litigation and industrial relations. The Company assumes no responsibility to amend, modify or revise any of the statements on the basis of subsequent developments, information or events.

For and on behalf of the Board

H. D. RAMSINGHANI
CHAIRMAN AND MANAGING DIRECTOR
DIN : 00035416

Place : Mumbai

Date : August 14, 2020

ANNEXURE E TO BOARD REPORT

FORM MGT - 9

EXTRACT OF ANNUAL RETURN AS ON MARCH 31, 2020

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	L23200MH1985PLC035187
ii)	Registration Date [DDMMYY]	28/01/1985
iii)	Name of the Company	Rama Petrochemicals Limited
iv)	Category/ Sub Category of the Company	Public Company limited by shares
v)	Address of Registered office and contact details	Savroli Kharpada Road, Village Vashivalli, P O Patalganga, Taluka Khalapur, District Raigad Pin code 410220
vi)	Whether shares listed on recognized Stock Exchange(s)	Yes
vii)	Name, Address and contact details of Registrar & Transfer Agent, if any	Link Intime India Private Limited C-101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai 400083 Tel: 022-49186000, Fax: 022 - 49186060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Methanol	20119	*

* Presently, there is no production and sale of Methanol as the Plant is closed.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SR. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE
1	RAMA CAPITAL AND FISCAL SERVICES PVT. LTD. 51-52, Free Press House, Nariman Point, Mumbai 400021.	U67120MH1993PTC072255	Wholly owned Subsidiary

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2019]				No. of Shares held at the end of the year[As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
a) Individual/ HUF	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
b) Central Govt	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
c) State Govt(s)	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
d) Bodies Corp.	2484890	Nil	2484890	23.73	2484890	Nil	2484890	23.73	Nil
e) Banks / FI	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
f) Any other (Directors & Relatives)	11008	Nil	11008	0.11	11008	Nil	11008	0.11	Nil
Sub-total (A)(1)	2495898	Nil	2495898	23.84	2495898	Nil	2495898	23.84	Nil
(2) Foreign									
a) NRI-Individuals	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
b) Other-Individuals	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
c) Bodies Corp.	3040000	Nil	3040000	29.04	3040000	Nil	3040000	29.04	Nil
d) Banks/FI	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
e) Any Other (Directors & relatives)	41045	Nil	41045	0.39	41045	Nil	41045	0.39	Nil
Sub-total (A) (2)	3081045	Nil	3081045	29.43	3081045	Nil	3081045	29.43	Nil
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	5576943	Nil	5576943	53.27	5576943	Nil	5576943	53.27	Nil
B. Public Shareholding									
1. Institutions	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
a) Mutual Funds	Nil	7100	7100	0.07	Nil	7100	7100	0.07	Nil
b) Banks / FI	5700	4900	10600	0.10	5700	4900	10600	0.10	Nil
c) Central Govt	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
d) State Govt(s)	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
e) Venture Capital Funds	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
f) Insurance Companies	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
g) FIIs	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
h) Foreign Venture Capital Funds	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2019]				No. of Shares held at the end of the year[As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Others (specify)	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
Sub-total (B)(1)	5700	12000	17700	0.17	5700	12000	17700	0.17	Nil
2. Non-Institutions									
a) Bodies Corp.	102567	40900	143467	1.37	102499	40900	143399	1.37	Nil
i) Indian	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
ii) Overseas	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
b) Individuals	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1869832	1428670	3298502	31.51	1895722	1406386	3302108	31.54	0.03
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1240673	Nil	1240673	11.85	1240673	Nil	1240673	11.85	Nil
c) Others (specify)-HUF	64646	NIL	64646	0.63	64866	NIL	64866	0.63	Nil
Non Resident Indians	75645	27000	102645	0.97	75611	27000	102611	0.97	0.00
Overseas Corporate Bodies	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
Foreign Nationals	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
Clearing Members	24724	Nil	24724	0.24	21000	Nil	21000	0.21	(0.03)
Trusts	100	Nil	100	0.00	100	Nil	100	0.00	0.00
Foreign Bodies - D R	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
Sub-total (B)(2)	3378187	1496570	4874757	46.56	3400471	1474286	4874757	46.56	Nil
Total Public Shareholding (B)=(B)(1)+ (B)(2)	3383887	1508570	4892457	46.73	3406171	1486286	4892457	46.73	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
Grand Total (A+B+C)	8960830	1508570	10469400	100	8983114	1486286	104694000	100	Nil

ii) Shareholding of Promoter :

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Blue Lagoon Investments Pvt Ltd	1655	0.02	Nil	1655	0.02	Nil	Nil
2	Deonath Singh	10998	0.10	Nil	10998	0.10	Nil	Nil
3	Haresh D. Ramsinghani	10	0.00	Nil	10	0.00	Nil	Nil
4	Silver eagle Inc	3000000	28.67	Nil	3000000	28.67	Nil	Nil
5	Silver Eagle Inc	40000	0.38	Nil	40000	0.38	Nil	Nil
6	Jupiter Corporate Services Pvt Ltd	634330	6.06	Nil	634330	6.06	Nil	Nil
7	Libra Mercantile Private Limited	1404401	13.41	12.98	1404401	13.41	12.98	Nil
8	Prarabdha Trading Co. Private Limited	335	0.00	Nil	335	0.00	Nil	Nil
9	Lajwanti D. Ramsinghani	41045	0.39	Nil	41045	0.39	Nil	Nil
10	Rainbow Agri Inds Ltd	136869	1.31	Nil	136869	1.31	Nil	0.00
11	Rama Phosphates Ltd	307100	2.93	Nil	307100	2.93	Nil	Nil
12	Trishul Mercantile Private Limited	200	0.00	Nil	200	0.00	Nil	Nil
	Total	5576943	53.27	12.98	5576943	53.27	12.98	12.98

iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN		Shareholding at the Beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	5576943	53.27	5576943	53.27
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	NO CHANGE			
	At the end of the year	5576943	53.27	5576943	53.27

iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	Shareholding		Date of transaction	Increase/ Decrease in share-holding	Reason	Cumulative shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of shares at the beginning (01/04/2019)/ end of the year 31/03/2020	% of total shares of the Company				No. of shares	% of total shares of the company
1	R. F. Dadabhoj	2,10,000	2.01		No Change		2,10,000	2.01
		2,10,000	2.01					
2	Madhavi Arora	1,89,552	1.81		No Change		1,89,552	1.81
		1,89,552	1.81					
3	Mohankumar B. B.	92,295	0.88		No Change		92,295	0.88
		92,295	0.88					
4	K. Mohan	56,380	0.54		No Change		56,380	0.54
		56,380	0.54					
5	Sheetal Ramsinghani	53,776	0.51		No Change		53,776	0.51
		53,776	0.51					
6	Prakash M Bhansali	50,235	0.48	05/04/2019	Decrease	Sale	50,000	0.47
		50,000						
7	Abdulkarim Husain Khidir	46,069	0.44	05/04/2019	Decrease	Sale	45,969	0.44
		45,969						
8	Rajendra Sagarmal Jain	40,810	0.39		No Change		40,810	0.39
		40,810	0.39					
9	Ganesh Puri Goswami	32,469	0.31		No Change		32,469	0.31
		32,469	0.31					
10	Deam Consulting Pvt Ltd	27,454	0.26		No Change		27,454	0.26
		27,454	0.26					

v) Shareholding of Directors and Key Managerial Personnel :

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning (01-04-2019)/ end of the year (31-03-2020)	% of total shares of the company				No. of shares	% of total shares of the company
1.	D.N. Singh - Director	10998	0.10	N A	No Change	N A	10998	0.10
		10998	0.10	N A				
2.	H. D. Ramsinghani	10	0.00	N A	No Change	N A	10	0.00
		10	0.00	N A				
3.	S.S. Arora - Director	101465	0.96	N.A.	No Change	N A	101465	0.00
		101465	0.96	N.A.				
4.	R.G. Kulkarni - Director	2	0.00	N.A.	No Change	N A	2	0.00
		2	0.00	N.A.				
5	Mr P K Banerjee	2	0.00	N.A.	No Change	N A	2	0.00
		2	0.00	N.A.				
5.	R.D. Jog	2061	0.02	N.A.	No Change	N A	2061	0.02
		2061	0.02	N.A.				

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rupees in Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2019)				
i) Principal Amount	335.00	2272.50	Nil	2607.50
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	335.00	2272.50	Nil	2607.50
Change in Indebtedness during the financial year				
Addition	Nil	1596.00	Nil	1596.00
Reduction	325.00	1802.00	Nil	2127.00
Net Change	(325.00)	(206.00)	Nil	(531.00)
Indebtedness at the end of the financial year (31.03.2020)				
i) Principal Amount	10.00	2066.50	Nil	2076.50
ii) Interest due but not paid	1.31	Nil	Nil	1.31
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	11.31	2066.50	Nil	2077.81

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager :

SN.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount (Rupees)
		MD	
		H.D. Ramsinghani	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	36,00,000	36,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil
5	Others, please specify	Nil	Nil
	Total (A)	36,00,000	36,00,000
	Ceiling as per the Act	N A	N A

B. Remuneration to other directors

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount (Rupees)
		H.D. Ramsinghani	R.G. Kulkarni	N.H. Ramsinghani	S.S. Arora	D.N. Singh	B.L. Khanna	
1	Independent Directors							
	Fee for attending board/ committee meetings	Nil	24,000	Nil	10,000	10,000	16,000	60,000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	Nil	24,000	Nil	10,000	10,000	16,000	60,000
2	Other Non-Executive Directors							
	Fee for attending board committee meetings	Nil	Nil	4,000	Nil	Nil	Nil	4,000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	4,000	Nil	Nil	Nil	4,000
	Total Managerial Remuneration Total (B)=(1+2)	Nil	24,000	4,000	10,000	10,000	16,000	64,000

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WT

SN	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	595200	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	64800	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil
	others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total	660000	Nil	Nil

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board

H. D. RAMSINGHANI
CHAIRMAN AND MANAGING DIRECTOR
DIN : 00035416

Place : Mumbai
 Date : August 14, 2020

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

As required by the Listing Regulations, the Company has implemented the Code of Corporate Governance and it is committed to the philosophy of good Corporate Governance in letter and in spirit.

2. Board of Directors

- a. As on the date of this Report, the Board consists of Six Directors (One Executive Director and Five Non-executive Directors out of whom one is a Woman Director and three are Independent Directors)
- b. The attendance at Board Meetings and last Annual General Meeting of each of the Directors during the financial year was as under :

Name of Director	Category Executive, Non-executive/ Independent	Attendance at		Membership of other Board (excluding alternate Directorships and Private Companies)	Membership/ Chairmanship of other Board Committees		Directorship in other listed entity (Category of Directorship)	Shareholding (No. of Shares)
		Board Meeting	Last Annual General Meeting		Chairman	Member		
Mr. Haresh D. Ramsinghani (Managing Director)	Promoter Executive	Four	No	Four	Nil	Six	Rainbow Denim Limited- Promoter Non Executive Rama Phosphates Limited- Promoter Executive	10
Mr. Deonath Singh (Director)	Non Executive Non -Independent	Four	No	Three	Three	One	Rainbow Denim Limited - Non Executive Independent Rama Phosphates Limited- Non Executive Independent	10998
Mr. S. S. Arora (Director) (upto 30/09/2019)	Non - Executive Independent	Two	N.A.	One	Nil	Nil	Rainbow Denim Limited- Non Executive Non Independent	N A
Mr. Ramrao G. Kulkarni (Director)	Non Executive - Independent	Four	Yes	Five	One	One	Rainbow Denim Limited- Non Executive Independent	2
Mrs. Nilanjana H. Ramsinghani (Director)	Promoter Non - Executive	One	No	One	Nil	One	Rama Phosphates Limited - Promoter Non Executive	Nil
Mr. Brij Lal Khanna (Director)	Non - Executive Independent	Four	No	Three	One	One	Uttam Value Steels Limited- Non Executive Independent Rainbow Denim Limited - Non Executive Independent	Nil
Mr P K Banerjee (w e f 14.08.2020)	Non - Executive Independent	Nil	No	Nil	Nil	Nil	Nil	2

- i) Except for Mr Haresh D. Ramsinghani and Mrs. Nilanjana H. Ramsinghani, none of the other Directors are related to each other.
- ii) All Public Limited Companies, whether listed or not, have been considered in the above table.

- iii) Only the membership/chairmanship of Audit Committee and Stakeholder Relationship committees has been considered in the above table.
- c. The Company has adopted a practice of sending the Agenda papers to all the Directors in electronic form which are mailed to the Directors well in advance of the Board/Committee meeting. During the year four Board Meetings were held on the following dates : May 30, 2019, August 12, 2019, October 24, 2019 and February 4, 2020.
- d. During the year one meeting of the Independent Directors was held on February 4, 2020.
- e. The Compliance Reports of all applicable laws, filings made by the Company with the BSE and the financials and minutes of the Subsidiary company are placed before the Board at each meeting. Detailed notes are circulated to all the Directors well in advance on all matters listed in the Agenda for each Board and committee meeting.

The Board comprises highly qualified members who possess required skills, expertise and competence that allow them to make effective contributions to the Board and its Committees. The skills / expertise / competencies which have been identified for the effective functioning of the Company are Leadership, Operational experience, Sector/Industry Knowledge & Experience, Technology, Financial and , Regulatory & Risk Management. The current Board of Directors of the Company possesses all the identified skills and competencies:

3. Governance Codes

The Company has formulated a Code of Conduct for the members of the Board of Directors and Senior Management personnel of the company. The declaration by the Chairman regarding compliance by the members of the Board and the Senior Management personnel with the said code of conduct is annexed hereto. As required by SEBI (LODR) Regulations, 2015 and the various provisions of the Companies Act, 2013, the Company has also formulated the Risk Management Policy, Whistle Blower Policy, Policy on Related Party Transactions, Nomination and Remuneration Policy, Policy on Material subsidiaries and the Code of practices and procedures for fair disclosure of unpublished price sensitive information and the code of conduct to regulate, monitor and report trading by employees and other connected persons. The details of the policies are available on the website of the Company www.ramapetrochemicals.com

4. Committees of the Board

(a) Audit Committee

Role of the Audit Committee and its terms of reference inter alia include reviewing the financial statements, overseeing the Company’s financial reporting process and reviewing and examining the quarterly and annual financial statements, Management Discussion and Analysis of financial statements, recommending the appointment and remuneration of Statutory and Internal Auditors, reviewing Audit Reports, related party transactions and inter corporate loans and investments.

The Committee presently comprises of Mr. R. G. Kulkarni - Chairman, Mr. H.D. Ramsinghani and Mr. B.L. Khanna.

Four meetings of the Audit Committee were held during the year on May 30, 2019, August 12, 2019, October 24, 2019 and February 4, 2020. The attendance at the Audit Committee meetings of each of the Directors is as under:

Name of the Director	Attendance at Audit Committee meetings
Mr. R. G. Kulkarni	Four
Mr. S. S. Arora (upto 30/09/2019)	Two
Mr. H. D. Ramsinghani	Four
Mr. B.L. Khanna(w.e.f. 30/09/2019	Two

(b) Share Transfer Committee

The Board has delegated the power of share transfers to a Committee of Directors comprising of Mr. R. G. Kulkarni– Chairman, Mrs. N. H. Ramsinghani and Mr. D.N. Singh as also to the Registrars and Transfer Agent of the Company who attend to the Share Transfer formalities, transmission of shares, issue of duplicate certificates, issue of certificates on split/consolidation/renewal and demat/remat of Share certificates etc.

No investor complaint is pending for a period exceeding one month.

(c) Nomination & Remuneration Committee

The Nomination & Remuneration Committee formulates criterion for determining qualifications, independence and other attributes of the Directors and based thereon identifies persons qualified to be Directors. The Committee also carries out evaluation of the Directors and formulates the policy on the remuneration of Directors and KMP and determines the managerial remuneration and other employment conditions of the Managing/ Whole Time Directors and Senior Management personnel (one level below the Board) based on the policy and makes recommendations to the Board of Directors. The details about the Remuneration Policy of the Company are available on the website of the Company www.ramapetrochemicals.com.

The Committee presently comprises of Mr. R.G. Kulkarni - Chairman, Mr. H.D. Ramsinghani and Mr. B.L. Khanna.

During the year two meetings of the Nomination & Remuneration Committee were held on August 12, 2019 and February 4, 2020.

(d) Stakeholders Relationship Committee

The Stakeholders Relationship Committee specifically looks into the redressing of Shareholder’s and Investor’s complaints relating to Share transfers, non receipt of Balance Sheet and demat/remat of Share Certificates etc. In terms of SEBI (LODR) Regulations, 2015, the Company has appointed Mr. R.D. Jog as the Company Secretary & Compliance Officer and the investors are requested to register their complaints, if any, on the exclusive email ID: rdjog@ramagroup.co.in. One meeting of the Stakeholders Relationship Committee was held during the year on February 4, 2020.

The committee presently comprises of Mr. R.G. Kulkarni – Chairman, Mrs. N.H. Ramsinghani and Mr. D.N. Singh.

A summary of complaints received and resolved by the Company during the year under review is given below:

	Received	Resolved
Non – Receipt of Share Certificates duly transferred	1	1
Non – Receipt of Rejected DRF	0	0
Non Receipt of Exchange Certificate	0	0
Dematerialization of Shares	0	0
TOTAL	1	1
No. of complaints pending	NIL	

5. Remuneration of Directors:

(a) Managing Director:

The Managing Director Mr Haresh D Ramsinghani was paid a remuneration of Rs 36.00 Lakh during the year under review comprising of salary and allowances. Mr H D Ramsinghani was appointed as the Managing Director of the Company on 05/11/2018 for a period of three years.

(b) Non – Executive Directors:

The Non-Executive Directors are not paid any remuneration except sitting fees for attending meetings of the Board or committees thereof. Details of Sitting Fees paid to the Non-Executive Directors are as follows:

<u>Name of the Director</u>	<u>Sitting Fees (Rupees)</u>
Mr. Deonath Singh	10,000/-
Mr. Ramrao G. Kulkarni	24,000/-
Mrs. Nilanjana H. Ramsinghani	4,000/-
Mr. Satinderjitsingh Arora (upto 30/09/2019))	10,000/-
Mr. Brij Lal Khanna (w.e.f. 30/09/2019)	16,000/-
Mr P K Banerjee (w.e.f. 14/08/2020)	Nil
TOTAL	64,000/-

6. General Body Meetings :

<i>Financial Year</i>	<i>Date</i>	<i>Time</i>	<i>Location</i>
2016-2017	26/09/2017	10.00 A.M.	Babasaheb Dahanukar Hall, Fort, Mumbai 400001
2017-2018	25/09/2018	10.00 A.M.	Babasaheb Dahanukar Hall, Fort, Mumbai 400001
2018-2019	30/09/2019	3.00 P.M.	Savroli Kharpada Road, Village Vashivalli, Patalganga

7. Postal Ballot

During the year under review no resolutions were passed through the Postal Ballot process.

The details of Special Resolutions passed in the previous Three Annual General Meetings are as under:

Date	Particulars
26/09/2017	No Special Resolutions passed.
25/09/2018	Resolution pursuant to Section 180(1)(a) of Companies Act, 2013 for sale of surplus land. Resolution pursuant to Section 180(1)(a) of Companies Act, 2013 for creation of security for loans Resolution pursuant to Section 180(1)(a) and Section 188 of Companies Act, 2013 for creation of security for loans. Resolution for shifting the Registered Office of the Company Resolution pursuant to Section 180(1)(a) and Section 188 of Companies Act, 2013 for sale of Flats and Guest House. Resolution for sale of investments Resolution pursuant to Section 180(1)(a) and Section 188 of Companies Act, 2013 for sale of surplus land to related parties
30/09/2019	Appointment of Mr. S.S. Arora (DIN 00033825) as an Independent Director of the Company. Appointment of Mr. B.L Khanna (DIN 00841927) as an Independent Director of the Company. Appointment of Mr. R.G. Kulkarni (DIN 03028670) as an Independent Director of the Company. Appointment of Mr. H. D. Ramsinghani (DIN 00035416) as the Managing Director of the Company for a period of three years w.e.f. November 5, 2018.

8. Means of communication:

- a) The Company has not made any presentation to the institutional investors or analysts.
- b) The unaudited quarterly results are announced within forty five days from the close of the quarter and the Audited results are announced within sixty days from the close of the financial year. The financial results are immediately sent to the Stock Exchanges and published in an English language newspaper and a local language newspaper and also uploaded on the website of the Company.

9. General Shareholder Information :

Financial Year	:	31 st March, 2020
Annual General Meeting	:	September 29, 2020 at 3.00 p.m. through two way Video conferencing/OAVM. The deemed venue of the Meeting will be at Savroli Kharpada Road, Village Vashivali, P.O. Patalganga, Taluka Khalapur, Dist. Raigad 410220
Dates of Book Closure	:	September 22, 2020 to September 29, 2020 (both days inclusive)
Dividend payment date	:	Not Applicable
Listing on Stock Exchange	:	Bombay Stock Exchange Ltd.
Stock Code	:	500358
ISIN	:	INE 783A01013

The Company has paid listing fees to the Bombay Stock Exchange for the period up to March 31, 2021.

10. Market Price Data (High / Low in Rupees during each month):

<u>Month</u>	<u>High</u>	<u>Low</u>
April 2019	8.49	8.49
May 2019	--	--
June 2019	--	--
July 2019	--	--
August 2019	--	--
September 2019	8.07	8.07
October 2019	8.00	8.00
November 2019	6.52	6.42
December 2019	--	--
January 2020	--	--
February 2020	--	--
March 2020	--	--

As the equity shares are not frequently traded on the Bombay Stock Exchange, the stock performance viz a viz the Index has not been given.

11. Registrars & Transfer Agent

Link Intime India Private Limited

C - 101, 247 Park, L. B. S Marg, Vikhroli (West), Mumbai 400083

Tel: 49186000; Fax : 49186060;

Email: rnt.helpdesk@linkintime.co.in

Website: www.linkintime.com

12. Share Transfer System

The Share Transfers which are received in the Physical Form are processed well within prescribed statutory period from time to time, subject to the documents being valid and complete. The Transfers etc. approved by the Share Transfer Committee are also noted at every meeting of the Board of Directors.

13. Distribution of Equity Shareholding as of March 31, 2020:

Number of Equity Share Holdings	Number of Shareholders	Percentage of Shareholders	Number of Shares	Percentage of Shareholding
1 – 500	13780	93.69	2134934	20.39
501 – 1000	532	3.62	445569	4.26
1001 – 2000	192	1.31	296040	2.83
2001 – 3000	64	0.43	162229	1.55
3001 – 4000	33	0.22	116948	1.12
4001 – 5000	20	0.14	96679	0.92
5001 – 10000	40	0.27	268826	2.57
10001 & above	47	0.32	6948175	66.36
Total	14708	100.00	10469400	100.00

14. Shareholders' Profile as on March 31, 2020 :

Category of Shareholders	No. of Shares held	% to Total Capital
Promoters	55,76,943	53.27
Foreign Collaborators	-	-
Banks/Trusts/HUF	74,866	0.71
Financial Institutions	700	0.00
Foreign Institutional Investors	-	-
Mutual Funds	7,100	0.06
Domestic Companies	1,64,399	1.57
Non - Domestic Companies	-	-
Non - Resident Indians	1,02,611	0.98
General Public	45,42,781	43.41
Total	1,04,69,400	100.000

15. Dematerialization of shares as on March 31, 2020:

85.80% of the Company's total equity share capital representing 89,83,114 shares are held in dematerialised form.

There were no shares lying in the share suspense account as on March 31, 2020.

16. Plant Location:

Village Vashivalli, Savroli Kharpada Road, Patalganga, Dist. Raigad, Maharashtra

17. Address for Correspondence:

Shareholders should address all correspondence to the Company at its Corporate Office at 51/52, Free Press House, Nariman Point, Mumbai 400 021 or to the Registrars and Transfer Agent - Link Intime India Private Limited at C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400 083.

18. Appointment / Reappointment of Directors:

Mrs N H Ramsinghani is proposed to be reappointed and Mr P K Banerjee is proposed to be appointed as a Director at the forthcoming Annual General Meeting. The information about Mrs N H Ramsinghani and Mr P K Banerjee is given else where in the Annual report.

19. Disclosures

- a) The Company is in compliance with all mandatory requirements of the Listing Regulations.
- b) All transactions entered in to with Related Parties, as defined under the Companies Act, 2013 and the Listing Regulations, during the financial year were in the ordinary course of business and on arms length basis.
- c) There were no transactions of material nature with the Directors or the Key Managerial Personnel or their relatives during the financial year which could have potential conflict with the interests of the Company at large. Transactions with related parties are disclosed elsewhere in the Annual Report. None of these transactions have potential conflict with interest of the Company at large.
- d) No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority on any matter related to the capital markets during the last three years.
- e) The Company has formulated a Whistle Blower Policy under which all personnel have access to the Audit Committee and no personnel has been denied access to the audit Committee during the year under review.
- f) The Company has in place a comprehensive Code of Conduct to Regulate, Monitor and Report trading by insiders for its Directors and senior Management Personnel.
- g) The Company has adopted the Revised Policy for determining material subsidiaries and Revised Code for practices and procedures for Fair Disclosure of Unpublished Price Sensitive Information.
- h) In the preparation of the financial statements, the Company has followed applicable Accounting Standards and the significant Accounting policies which are consistently applied are set out in the Notes to the financial statements.
- i) Adoption of non-mandatory provisions of the Listing Regulations is reviewed by the Board from time to time.
- j) The total fees paid by the Company to the Statutory Auditors during the year under review was Rs 1,81,413/-.
- k) The Company has obtained a Certificate dated August 14,2020 from Jignesh Pandya and company (Membership No. A7346/ CP No. 7318) certifying that none of the Directors on the Board of the company have been disqualified from being appointed or continuing as a Director of the Company.
- l) The Independent Directors have confirmed that they meet the criteria of independence u/s 149(6) of the Act and regulations 16(1)(b) and 25(8) of the Listing Regulations.
- m) The Company has proper systems to enable the Board of Directors to periodically review the compliance reports of all laws applicable to the Company.
- n) During the year 2019-2020, information as mentioned in Schedule II Part A of the SEBI Listing Regulations has been placed before the Board for its consideration.
- o) No complaints were filed by any employee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the year under review.

For and on behalf of the Board

H. D. RAMSINGHANI
CHARMAN AND MANAGING DIRECTOR
DIN 00035416

Place : Mumbai
Dated : August 14, 2020

DECLARATION REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company.

As required under Regulation 26(3) of SEBI (LODR) Regulations, 2015 the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the said Code for the year ended March 31, 2020.

For and on behalf of the Board

Place : Mumbai

Dated : August 14, 2020

H. D. RAMSINGHANI
CHARMAN AND MANAGING DIRECTOR
DIN 00035416

AUDITORS CERTIFICATE

Independent Auditor's Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Members of

RAMA PETROCHEMICALS LIMITED

1. The Corporate Governance Report prepared by **Rama Petrochemicals Limited** ("the Company"), contains details as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2020. This certificate is required by the Company for annual submission to the Stock exchange and to be sent to the shareholders of the Company.

Management's Responsibility

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

Auditor's Responsibility

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC 1), Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditors' judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that, ***except that there are only two Independent Director w.e.f. from 1st October 2019, as against the requirement of minimum of 3 Independent Directors (50% of the Board composition of 5 directors)***, the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2020, referred to in paragraph 1 above.

Other matters and Restriction on Use

10. This Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This Certificate is addressed to and provided to the Members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For dayal and lohia
Chartered Accountants
Firm Reg No. 102200W

Anil Lohia
(Partner)
Membership No. 031626
UDIN: 20031626AAAACV5874

Mumbai.
Dated : August 14, 2020

MANAGING DIRECTOR AND CFO CERTIFICATION

To
The Board of Directors,
Rama Petrochemicals Limited,

I hereby certify that on the basis of the review of the financial statements and the cash flow statement for the financial year ended 31st March, 2020 and to the best of my knowledge and belief :

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

I hereby certify that, to the best of my knowledge and belief, no transactions entered into during the year by the Company are fraudulent, illegal or violative of the Company's Code of Conduct.

I accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I was aware and the steps taken or proposed to be taken to rectify these deficiencies.

I have indicated to the Auditors and the Audit Committee

1. significant changes, if any, in internal control over financial reporting during the year;
2. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
3. instances, if any, of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the internal control system over financial reporting.

Place : Mumbai
Date : June 30, 2020

H. D. RAMSINGHANI
MANAGING DIRECTOR
DIN 00035416

Independent Auditor's Report

To the Members of Rama Petrochemicals Limited

Report on the Standalone Financial Statements

Qualified Opinion

We have audited the Standalone Financial Statements of **Rama Petrochemicals Limited** ("the Company"), which comprise of the Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2020;
- (b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date;
- (c) in the case of the Statement of Changes in Equity, of the changes in equity for the year ended on that date; and
- (d) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for Qualified Opinion

Going Concern – We draw attention to Note 28 & 30 regarding the Company's Financial Statements having been prepared using the going concern basis of accounting. Management is responsible for assessing the Company's ability to continue as a going concern. The Balance Sheet and Cash Flow Statement, indicate that as on March 31, 2020, the Company's Current Liabilities are more than its Current Assets; and Company has incurred net Operating Loss of ₹ 1,75,19,072/- during the year ended March 31, 2020. Further discontinuance of production since last many years indicates that there is a significant doubt on the Company's ability to continue as a going concern. Our opinion is modified in respect of this matter.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

S.N.	Key Audit Matters	Auditor's Response
1.	Impairment of assets.	The Company has obtained a valuation report dt. 01/09/2015 from a registered valuer which indicates that there is no impairment of assets.
2.	Ability to continue as a going concern	Our opinion is suitably modified. Refer para on Basis for Qualified Opinion of the report above.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises of the information included in the Management Discussion and Analysis, Draft Board's Report including Annexures to the said Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Financial Statements

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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 implementation and maintenance of 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 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, management 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in Note 27 of the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no dues which were required to be transferred to Investor Education and Protection Fund by the company.

For Dayal and Lohia
Chartered Accountants
Firm Regn. No. 102200W

Anil Lohia
(Partner)

Place: Mumbai
Date: 30th June, 2020.

M. No. : 31626
UDIN : 20031626AAAABU5711

Annexure A to Independent Auditors' Report

The Annexure referred to in our report to the members of **Rama Petrochemicals Limited** ('the Company') for the year Ended on 31st March, 2020.

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Management of the Company has physically verified the fixed assets in accordance with its policy of physical verification at reasonable intervals. The discrepancies, if any noticed during such verification have been suitably adjusted in the books of account. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) a) According to the information and explanations given to us, the management has conducted physical verification of the inventories at reasonable intervals.
- b) In our opinion and according to the information and explanations given to us, the procedures followed by the management for physical verification of inventory are reasonable and adequate in relation to the size of the Company and the nature of the business.
- c) No material discrepancies have been noticed on physical verification of the stocks as compared to book records in so far as it appears from our examination of the books.
- iii) According to the information and explanations given to us and on the basis of our examination of books of account, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provision of clauses 3(iii)(a), (b) and (c) of the said Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made and guaranty and security provided.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi) According to the information and explanation given to us, the government has prescribed maintenance of cost records pursuant to Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act. Since, there is no turnover of manufacturing goods in the preceding financial year, the same is not applicable.
- vii) a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employee's State Insurance, Sales Tax, Income Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March, 2020 for a period of more than six months from the date it became payable except:

Name of the statute	Nature of the dues	Amount Rupees	Period to which the amount relates	Due Date
The Customs Act, 1962	Custom Duty on import of Catalyst	59,32,740/-	1998-1999	21.02.1998
Sales Tax Act,	Deferral Sales Tax Liability	31,03,44,140/-	1988-1997	30.04.2014

- b) According to the information and explanations given to us and the records of the Company examined by us there are no dues of Income Tax, Service Tax, Sales Tax, Excise Duty, Custom Duty or Value Added Tax, Goods and Service Tax which have not been deposited on account of any dispute
- viii) On the basis of our examination of the books and according to the information and explanations given to us, there are no borrowings from financial institutions, banks or debenture holders.
- ix) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not raise any money by way of initial public offer or further public offer (including debt instruments). Term loans raised during the year is applied for the purpose for which it is obtained.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Dayal and Lohia
Chartered Accountants
Firm Regn. No. 102200W

Anil Lohia
(Partner)
M. No. : 31626

Place: Mumbai
Date: 30th June, 2020.

ANNEXURE – ‘B’ TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RAMA PETROCHEMICALS LIMITED

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 **Rama Petrochemicals Limited** (‘the Company’) as of 31st March, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management 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 (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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, issued by Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 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 and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are

being made only in accordance with authorizations of management and directors 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

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, 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.

For Dayal and Lohia
Chartered Accountants
Firm Regn. No. 102200W

Place: Mumbai
Date: 30th June, 2020.

Anil Lohia
(Partner)
M. No. : 31626

BALANCE SHEET AS AT MARCH 31, 2020

(Amount in ₹)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-Current Assets			
Property, plant and equipments	2	66,20,615	68,09,697
Capital Work in progress		95,75,530	2,41,20,371
Financial Assets:			
Investments	3	-	-
Other financial assets	4	56,13,246	56,13,246
Total Non-Current Assets		<u>2,18,09,391</u>	<u>3,65,43,314</u>
Current Assets			
Inventories	5	1,80,93,447	1,80,93,447
Financial Assets:			
Trade receivables	6	4,08,105	-
Cash and cash equivalents	7	24,18,047	9,80,979
Loans	8	2,06,492	2,11,492
Other financial assets	9	31,90,723	21,20,107
Current tax assets (Net)		24,758	6,51,731
Other current assets	10	65,72,477	77,63,207
Total Current Assets		<u>3,09,14,049</u>	<u>2,98,20,963</u>
TOTAL ASSETS		<u>5,27,23,440</u>	<u>6,63,64,277</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	10,46,94,000	10,46,94,000
Other equity	12	(61,40,52,614)	(65,62,53,926)
Total Equity		<u>(50,93,58,614)</u>	<u>(55,15,59,926)</u>
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	13	20,76,50,000	26,07,50,000
Other financial liabilities	14	31,03,44,140	31,03,44,140
Provisions	15	5,72,569	2,94,628
Total Non-Current Liabilities		<u>51,85,66,709</u>	<u>57,13,88,768</u>
Current Liabilities			
Financial Liabilities :			
Trade payables	16	14,76,593	26,90,503
Other financial liabilities	17	4,10,25,060	4,30,13,597
Other current liabilities	18	4,48,873	2,12,743
Provisions	19	5,64,819	6,18,592
Total Current Liabilities		<u>4,35,15,345</u>	<u>4,65,35,435</u>
Total Liabilities		<u>56,20,82,054</u>	<u>61,79,24,203</u>
TOTAL EQUITY AND LIABILITIES		<u>5,27,23,440</u>	<u>6,63,64,277</u>
Significant accounting policies	1		

The accompanying notes 2 to 37 are an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For Dayal & Lohia

Chartered Accountants

(Firm's Registration No. 102200W)

Anil Lohia

Partner

Membership No. 031626

D. N. Singh

Director

DIN : 00021741

H.D. Ramsinghani

Managing Director

DIN : 00035416

R. D. Jorg

Company Secretary

Place : Mumbai

Date : June 30, 2020

Place : Mumbai

Date : June 30, 2020

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
REVENUE			
Revenue from operations	20	37,16,244	20,37,471
Other income	21	50,88,627	5,10,53,679
TOTAL REVENUE		88,04,871	5,30,91,150
EXPENSES			
Cost of sales	22	36,00,111	11,56,901
Employee benefits expense	23	1,12,64,786	59,07,253
Finance costs	24	18,20,025	62,11,666
Depreciation	2	1,89,082	2,38,480
Other expenses	25	2,10,62,853	2,63,28,085
TOTAL EXPENSES		3,79,36,857	3,98,42,385
Profit / (Loss) before exceptional item and tax		(2,91,31,986)	1,32,48,765
Exceptional Items		7,15,00,000	-
Profit / (Loss) before tax		4,23,68,014	1,32,48,765
Tax Expense		-	-
Profit / (Loss) for the year		4,23,68,014	1,32,48,765
Other Comprehensive Income / (Expenses)			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit obligations		(1,66,702)	(70,581)
Total Other Comprehensive Income/(Expenses)		(1,66,702)	(70,581)
Total Comprehensive Income / (Expenses) for the year		4,22,01,312	1,31,78,184
Earnings per equity shares (Face Value of ₹10/- each)	26		
Basic		4.03	1.26
Diluted		4.03	1.26
Significant accounting policies	1		

The accompanying notes 2 to 37 are an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For Dayal & Lohia

Chartered Accountants

(Firm's Registration No. 102200W)

Anil Lohia

Partner

Membership No. 031626

D. N. Singh

Director

DIN : 00021741

H.D. Ramsinghani

Managing Director

DIN : 00035416

R. D. Jog

Company Secretary

Place : Mumbai

Date : June 30, 2020

Place : Mumbai

Date : June 30, 2020

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit / (Loss) before tax	4,23,68,014	1,32,48,765
Adjustments for :		
Depreciation on property, plant and equipment	1,89,082	2,38,480
Finance Cost	18,20,025	62,11,666
Actuarial Gain/(Loss) on Defined Benefit Plan	(1,66,702)	(70,581)
Dividend income	(750)	(750)
Interest income	(2,48,582)	(24,61,927)
(Profit) on sale of fixed assets	-	(3,58,12,769)
Loss on sale of fixed assets - CWIP	1,00,19,841	-
Exceptional Item	(7,15,00,000)	-
Operating (Loss) / Profit before working capital changes	(5,98,87,086)	(3,18,95,881)
Adjustment for changes in working capital (Increase) / Decrease in:		
Inventories	-	1,26,13,876
Trade receivables	(4,08,105)	10,76,472
Other financial assets - Non Current	-	(35,02,926)
Other financial assets -Current	(4,18,885)	29,46,419
Other Current Assets	11,90,730	44,60,513
Provisions - Non Current	2,77,941	(6,81,357)
Trade payables	(12,13,910)	(2,96,819)
Other Current financial liabilities	(19,88,537)	2,87,250
Other Current liabilities	2,36,130	(30,46,697)
Provisions - Current	(53,773)	(15,65,286)
Cash generated from Operations	(23,78,409)	1,22,91,445
Direct taxes paid	(1,98,97,481)	(63,55,671)
Net Cash generated from Operating activities before exceptional items	(24,758)	(6,51,731)
Exceptional item	(1,99,22,239)	(70,07,402)
Net Cash generated from / (used in) Operating activities	7,15,00,000	-
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	-	(7,700)
Sale of fixed assets	45,25,000	3,75,00,007
Dividend received	750	750
Interest received	2,48,582	24,61,927
Loans	5,000	-
Net Cash generated from / (used in) Investing activities	47,79,332	3,99,54,984
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from/(repayment) of borrowings (net)	(5,31,00,000)	(2,79,25,000)
Finance Cost	(18,20,025)	(62,11,666)
Net Cash used in Financing activities	(5,49,20,025)	(3,41,36,666)
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	14,37,068	(11,89,084)
Cash and Cash Equivalents - at the start of the year	9,80,979	21,70,063
Cash and Cash Equivalents - at the end of the year	24,18,047	9,80,979
Note : The above statement of Cash Flows has been prepared under the "Indirect Method" as set out in IND AS 7, 'Statement of Cash Flows'		

As per our report of even date attached

For and on behalf of the Board of Directors

For Dayal & Lohia

Chartered Accountants

(Firm's Registration No. 102200W)

Anil Lohia

Partner

Membership No. 031626

D. N. Singh

Director

DIN : 00021741

H.D. Ramsinghani

Managing Director

DIN : 00035416

R. D. Jog

Company Secretary

Place : Mumbai

Date : June 30, 2020

Place : Mumbai

Date : June 30, 2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
A Equity Share Capital		
Balance at the beginning of the year	10,46,94,000	10,46,94,000
Changes in equity share capital during the year	-	-
Balance at the end of the year	10,46,94,000	10,46,94,000
B Other Equity	Reserve and Surplus	Total
	Capital Reserve	Retained Earnings
		Other Equity
Balance as at 01st April 2018	60,30,000	(67,54,62,110)
Profit / (Loss) for the year	-	1,32,48,765
Other comprehensive income/(expenses)	-	(70,581)
Total comprehensive income/(expenses)	-	1,31,78,184
Balance as at 31st March 2019	60,30,000	(66,22,83,926)
Profit / (Loss) for the year	-	4,23,68,014
Other comprehensive income/(expenses)	-	(1,66,702)
Total comprehensive income/(expenses)	-	4,22,01,312
Balance as at 31st March 2020	60,30,000	(61,40,52,614)

As per our report of even date attached

For and on behalf of the Board of Directors

For Dayal & Lohia

Chartered Accountants

(Firm's Registration No. 102200W)

Anil Lohia

Partner

Membership No. 031626

D. N. Singh

Director

DIN : 00021741

H.D. Ramsinghani

Managing Director

DIN : 00035416

R. D. Jog

Company Secretary

Place : Mumbai

Date : June 30, 2020

Place : Mumbai

Date : June 30, 2020

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

NOTE 1

A. Corporate Information

Rama Petrochemicals Limited (“the Company”) is a public limited company, incorporated and domiciled in India having its registered office at Savroli Kharpada Road, Village Vashivalli, Tal. Khalapur Dist. Raigarh – 410220, Maharashtra, India. The equity shares of the Company are listed on BSE Limited. The Company is into Methanol manufacturing, having manufacturing facility located at Patalganga (Maharashtra) and also Trading in various commodities.

B. Significant Accounting Policies

1. Basis of Preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (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. The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities, which are measured at fair value.

Use of Estimates and Judgements

The preparation of the Company’s financial statements requires management to make informed judgements, reasonable assumptions and estimates that affect the amounts reported in the financial statements and notes thereto. Uncertainty about these could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods. These assumptions and estimates are reviewed periodically based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit & Loss in the period in which the estimates are revised and in any future periods affected.

In the assessment of the Company, the most significant effects of use of judgments and/or estimates on the amounts recognized in the financial statements relate to the following areas:

- Financial instruments;
- Useful lives of property, plant & equipment;
- Valuation of inventories;
- Measurement of recoverable amounts of assets / cash-generating units;
- Assets and obligations relating to employee benefits;
- Provisions and Contingencies.

2. Revenue Recognition :

- a. Revenue is recognized when the substantial risks and rewards of ownership is transferred to the buyer on dispatch of goods.
- b. Interest income is recognized on time proportionate basis.
- c. Dividend income from investments is recognized when the right to receive the dividend is established.
- d. Claims and damages are accounted as and when they are finalized.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

3. Property, Plant and Equipment :

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment includes purchase price, including freight, duties, taxes and expenses incidental to acquisition and installation. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Property, plant and equipment are derecognized from financial statements, either on disposal or when no economic benefits are expected from its use or disposal. The gain or losses arising from disposal of property, plant and equipment are recognized in the Statement of Profit and Loss in the year of occurrence.

Subsequent expenditures

Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company and cost can be reliably measured. All other repair and maintenance costs are recognized in the Statement of Profit and Loss during the year in which they are incurred.

4. Depreciation :

- a. Depreciation on Fixed Assets is provided on straight line method based on the useful lives of the assets as prescribed in Schedule II of the Companies Act, 2013.
- b. Depreciation on addition / deletion is provided pro-rata basis with reference to the date of addition / deletion as the case may be.
- c. Individual assets acquired for less than ₹5,000/- are depreciated fully in the year of acquisition.
- d. The details of estimated life for each category of assets are as under :
 - i) Buildings – 5 to 60 years
 - ii) Plant and Machinery – 15 to 20 years
 - iii) Furniture and Fixture – 10 years
 - iv) Office Equipments – 5 years
 - v) Vehicles – 8 years
 - vi) Free hold land is not depreciated.
 - vii) Lease hold land is amortised over the life of the lease.

5. Cash Flow Statements :

Cash flow statement is prepared in accordance with the indirect method prescribed under IND AS - 7 “Cash Flow Statements” issued by the Institute of Chartered Accountants of India.

6. Foreign Currency Transactions :

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

The gain or loss arising out of settlement / translation of the assets and the liabilities at the closing rates due to exchange fluctuations is recognized as income / expenditure in the statement of profit and loss.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

7. Investments :

Investments, other than those covered under financial assets, that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non-Current investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

8. Valuation of Inventories :

- a. Raw Material and work in process are valued at cost (on “first in first out basis”) or net realisable value whichever is lower. Raw material and work in process are not written down below cost if the finished product in which they will be incorporated are expected at or above cost.
- b. Stores & Spares are valued at cost (on “first in first out basis”).
- c. Stocks in transit are valued at cost or market value whichever is lower.
- d. Finished goods are valued at cost or net realizable value, whichever is lower.
- e. Inventories of traded goods are valued at cost or net realizable value, whichever is lower.

9. Employee’s Benefits :

Short Term 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 are recognized in the period in which the employee renders the related service.

Long Term Employee Benefits :

Defined Contribution Plan :

The company has Defined Contribution plans for post employment benefits namely Provident Fund. Under the provident Fund Plan, the company contributes to a Government administered provident fund on behalf of its employees.

The Company’s contributions to the above funds are charged to revenue every year.

Defined Benefit Plans :

The Company’s liabilities towards gratuity and leave encashment are determined using the projected unit credit method as at the balance sheet date.

Actuarial gains and losses are recognised in other comprehensive income for gratuity and recognised in the Statement of Profit & Loss for leave encashment.

Remeasurement gain and losses arising from experience adjustments, changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (OCI). They are included in retained earnings in the statement of change in equity and in the balance sheet.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020**10. Borrowing Cost :**

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 respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

11. Segment Reporting :

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, debtors and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated income / expenses.

12. Fair value measurement :

The Company's accounting policies and disclosures require the measurement of fair values for financial assets and liabilities.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

13. Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

A. Financial Assets :**Initial recognition and measurement**

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement

For the purpose of subsequent measurement, the financial assets are classified as under :

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Financial assets at amortised cost

A financial asset is measured at the amortised cost, if both the following conditions are met :

- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. Interest income from these financial assets is included in other income using the EIR in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are classified as FVTOCI, if both of the following criteria are met :

- (i) These assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets; and
- (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Fair value movements are recognised in the other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income and foreign exchange gains or losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Profit or Loss and recognised in other income/(loss).

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is recognized in profit or loss and presented net in the Statement of Profit and Loss within other income in the period in which it arises.

Equity instruments

All equity instruments other than investments in associates are measured at fair value. Equity instruments which are for trading are classified as FVTPL. All other equity instruments are measured at fair value through other comprehensive income (FVTOCI). The classification is made on initial recognition and is irrevocable.

Where the Company's management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in profit and loss when the Company's right to receive payments is established.

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

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Impairment of financial assets

The Company applies 'simplified approach' for recognition of impairment loss on financial assets for loans, deposits and trade receivables.

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime Expected Credit Loss at each reporting date, right from its initial recognition.

De-recognition

A financial asset is derecognized when :

- (i) the rights to receive cash flows from the assets have expired or
- (ii) the Company has transferred substantially all the risk and rewards of the asset, or
- (iii) the Company has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

B. Financial Liabilities :

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction cost.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. For trade and other payables maturing within operating cycle, the carrying amounts approximate the fair value due to short maturity of these instruments.

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. Gain and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transaction costs. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

De-recognition

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reflected in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

14. Taxes :

The tax expense comprises current and deferred tax. Tax is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI.

(i) Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantially enacted at the reporting date.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amount used for taxation purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

15. Earnings per share :

The Company reports basic and diluted earnings per share (EPS) in accordance with IND AS-33 on earnings per share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

16. Cash and Cash Equivalents :

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand, demand deposit and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

17. Current and non-current classification :

Assets and Liabilities in the balance sheet have been classified as either current or non-current. An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

reporting date. All other assets have been classified as non-current. A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

18. Impairment of Non-Financial Assets :

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The 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. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. If such recoverable amount of the asset or cash generating unit is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is any indication that any impairment loss recognized for an asset in prior years may no longer exist or may have decreased, the recoverable amount is reassessed and such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

19. Provisions :

A provision is recognized when the company has a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

20. Contingent Liabilities :

Contingent liabilities, if any are disclosed in the notes on accounts. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the approval of the accounts by the board of directors and which have material effect on the position stated in the balance sheet.

C. Ind AS Optional Exemptions:

Deemed cost for property, plant and equipment

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value and use that as its deemed cost as at the date of transition (April 01, 2016).

Designation of previously recognized financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has designated investments in equity shares (other than investments in equity shares of associates) as held at FVTOCI on the basis of the facts and circumstances that existed at the date of transition.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Property, Plant and Equipments

Amount in ₹

Particulars	Gross Carrying Amount			Depreciation			Net Carrying Amount			
	As at April 01, 2019	Additions during the Year	Deductions/ Adjustments during the Year	As at March 31, 2020	Upto March 31, 2019	Provided during the year	On Deductions/ Adjustments	Upto March 31, 2020	As at March 31, 2020	As at March 31, 2019
Land Free-hold	36,10,057	-	-	36,10,057	-	-	-	-	36,10,057	36,10,057
Buildings	37,56,481	-	-	37,56,481	5,76,190	1,86,771	-	7,62,961	29,93,520	31,80,291
Plant & equipment	96,214	-	-	96,214	96,183	-	-	96,183	31	31
Office Equipments	60	-	-	60	-	-	-	-	60	60
Furniture and fixtures	23,137	-	-	23,137	3,884	2,311	-	6,195	16,942	19,253
Vehicles	5	-	-	5	-	-	-	-	5	5
Total	74,85,954	-	-	74,85,954	6,76,257	1,89,082	-	8,65,339	66,20,615	68,09,697

Amount in ₹

Particulars	Gross Carrying Amount			Depreciation			Net Carrying Amount			
	As at April 01, 2018	Additions during the year	Deductions/ Adjustments during the year	As at March 31, 2019	Upto March 31, 2018	Provided during the year	On Deductions/ Adjustments	Upto March 31, 2019	As at March 31, 2019	As at March 31, 2018
Land Free-hold	36,10,057	-	-	36,10,057	-	-	-	-	36,10,057	36,10,057
Land lease-hold	1,76,449	-	1,76,449	-	5,382	2,536	7,918	-	-	1,71,067
Buildings	53,98,658	7,700	16,49,877	37,56,481	4,80,273	2,27,094	1,31,177	5,76,190	31,80,291	49,18,385
Plant & equipment	96,221	-	7	96,214	89,638	6,545	-	96,183	31	6,583
Office Equipments	60	-	-	60	-	-	-	-	60	60
Furniture and fixtures	23,137	-	-	23,137	1,579	2,305	-	3,884	19,253	21,558
Vehicles	5	-	-	5	-	-	-	-	5	5
Total	93,04,587	7,700	18,26,333	74,85,954	5,76,872	2,38,480	1,39,095	6,76,257	68,09,697	87,27,715

2.1 Immovable properties of the Company are also mortgaged on first part-passu charge basis in favour of Financial Institution and Banks to secure Term loan sanctioned to denim division of the company. In the year 1999 - 2001, denim division of the company was demerged as Rainbow Denim Ltd.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
3 Investments		
Non Current Investments (At Cost)		
Investment in Unquoted Shares (Other than trade)		
5,00,300 (5,00,300) Equity Shares of Rama Capital & Fiscal Services Pvt. Ltd. of ₹ 10/- each fully paid up	50,21,735	50,21,735
25,00,000 (25,00,000) Cumulative Convertible Preference Shares of Rama Capital & Fiscal Services Pvt. Ltd. of ₹ 10/- each fully paid up	2,50,00,000	2,50,00,000
Less : Provision for diminution in value of investment	3,00,21,735	3,00,21,735
Total	-	-
Aggregate value of Unquoted Investments	NIL	NIL
4 Other Financial Assets		
Other Financial Assets (Non Current)		
Security Deposits		
Considered doubtful	2,06,600	2,06,600
Considered Good	56,13,246	56,13,246
	58,19,846	58,19,846
Less : Provision for doubtful deposits	2,06,600	2,06,600
Total	56,13,246	56,13,246
5 Inventories		
Stores & Spares	1,80,93,447	1,80,93,447
For Mode of valuation refer Note 1(B-8)		
Total	1,80,93,447	1,80,93,447
6 Trade receivables		
Unsecured Considered Good unless stated otherwise		
Due more than six months		
considered good	-	-
considered doubtful	3,84,116	3,84,116
	3,84,116	3,84,116
Due less than six months		
considered good	4,08,105	-
	7,92,221	3,84,116
Less : Provision for doubtful debts	3,84,116	3,84,116
Total	4,08,105	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
7 Cash and cash equivalents		
Balances with banks:		
In current accounts	19,25,227	6,70,148
Cash on hand	4,92,820	3,10,831
Total	24,18,047	9,80,979
8 Loans		
Loans - Current		
Unsecured - considered good		
Loans to employees	2,06,492	2,11,492
Total	2,06,492	2,11,492
9 Other financial assets		
Other financial assets (Current)		
Interest receivable	2,06,372	3,72,519
Fixed Deposits with Banks	6,12,792	13,04,613
Net Tax Assets	9,24,855	2,73,124
Others		
considered doubtful	27,91,39,889	35,06,39,889
Considered good	14,46,704	1,69,851
	28,05,86,593	35,08,09,740
Less : Provisions for doubtful	27,91,39,889	35,06,39,889
	14,46,704	1,69,851
Total	31,90,723	21,20,107
10 Other current assets		
Balances with Govt Authorities	65,16,429	75,69,060
Prepaid expenses	56,048	1,94,147
Total	65,72,477	77,63,207

10.1 During the year 1998-99, company had imported some material and could not pay custom duty due to financial crisis. The material was stored in Central Warehousing Corporation bonded warehouse. During the year 2012-13, the company came to know that the material was auctioned by the Custom Authority for non payment of duty. Since the matter is pending with High Court, claims for the same amounting to ₹ 1,87,71,179/- is provided in the books of accounts included in doubtful provisions.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

	Particulars	As at March 31, 2020	As at March 31, 2019
11	Equity Share Capital		
	Authorised		
	5,00,00,000 (5,00,00,000) Equity Shares of ₹ 10/- each	<u>50,00,00,000</u>	<u>50,00,00,000</u>
	Issued, Subscribed and Paid up		
	1,04,69,400 (1,04,69,400) Equity shares of ₹ 10/- each fully paid up	<u>10,46,94,000</u>	<u>10,46,94,000</u>
	Total issued, subscribed and fully paid up share capital	<u>10,46,94,000</u>	<u>10,46,94,000</u>

a Reconciliation of the equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31.03.2020		As at 31.03.2019	
	Number	Amount in ₹	Number	Amount in ₹
Shares outstanding at the beginning of the year	<u>1,04,69,400</u>	<u>10,46,94,000</u>	1,04,69,400	10,46,94,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<u>1,04,69,400</u>	<u>10,46,94,000</u>	<u>1,04,69,400</u>	<u>10,46,94,000</u>

b Terms/rights attached to the equity shares

Details of the rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital.

Equity Shares : The Company has only one class of Equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share. Dividend is payable in the proportion to the Capital Paid up. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c Details of the shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31 March, 2020		As at 31 March, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Silver Eagle Inc	30,40,000	29	30,40,000	29
Libra Mercantile Pvt Ltd	14,04,401	13	14,04,401	13
Jupiter Corporate Services Pvt. Ltd.	6,34,330	6	6,34,330	6

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
12 Other Equity		
Capital Reserve		
Opening balance	60,30,000	60,30,000
Addition during the year	-	-
Closing balance	<u>60,30,000</u>	<u>60,30,000</u>
Retained Earnings		
Opening balance	(66,22,83,926)	(67,54,62,110)
Profit / (Loss) for the year	4,23,68,014	1,32,48,765
Items of other comprehensive income recognised directly in retained earnings:		
Remeasurement of defined benefit obligation (net of tax)	(1,66,702)	(70,581)
Closing Balance	<u>(62,00,82,614)</u>	<u>(66,22,83,926)</u>
Total Other Equity	<u>(61,40,52,614)</u>	<u>(65,62,53,926)</u>
13 Borrowings		
Borrowings (Non Current)		
Secured Loans		
From Others	10,00,000	3,35,00,000
	<u>10,00,000</u>	<u>3,35,00,000</u>
Unsecured Loans		
From related parties	20,15,50,000	22,21,50,000
From others	51,00,000	51,00,000
	<u>20,66,50,000</u>	<u>22,72,50,000</u>
Total	<u>20,76,50,000</u>	<u>26,07,50,000</u>

13.1 **Terms and Condition of Borrowings** : Loan from others is secured by a personal guarantee of a director. Interest on the loans is payable @ 9% p.a. quarterly at the end of the quarter. Loan is repayable on 30/09/2020.

14 Other Financial Liabilities
Other financial liabilities (Non Current)

Interest Free sales tax deferral	31,03,44,140	31,03,44,140
Total	<u>31,03,44,140</u>	<u>31,03,44,140</u>

14.1 The company had a liability of ₹ 31,23,33,405/- payable from 30th April 2001 to 30th April 2014 to sales tax department of Government of Maharashtra in respect of sales tax deferral scheme. The company had paid ₹ 19,89,265/- against the same.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
15 Provisions		
Provisions (Non Current)		
For employee benefits - (refer note 31)		
Gratuity	4,56,603	2,75,349
Leave benefits	1,15,966	19,279
Total	5,72,569	2,94,628
CURRENT FINANCIAL LIABILITES		
16 Trade payables		
Amount Due to MSME	14,33,622	14,33,622
Others	42,971	12,56,881
Total	14,76,593	26,90,503
16.1	Based on the information available with the company, one party has been identified as MSME as defined under "Micro,Small and medium Enterprise Development Act,2006" which has claimed ₹ 14,33,622/- (Previous Year ₹ 14,33,622/-) towards supply. This liability has been disputed by the company. The party has filed a complaint against the company, with Micro and Small Enterprises Facilitation Council. Under these circumstances interest, if any, will be accounted as and when becomes payable.	
17 Other Financial Liabilities		
Other financial liabilities (Current)		
Statutory dues	62,15,453	61,22,854
Others	3,48,09,607	3,68,90,743
Total	4,10,25,060	4,30,13,597
18 Other Current Liabilities		
Other liabilities	4,48,873	2,12,743
Total	4,48,873	2,12,743
19 Provisions		
Provisions (Current)		
For employee benefits - (refer note 31)		
Gratuity	4,25,451	3,80,231
Leave benefits	1,39,368	2,38,361
Total	5,64,819	6,18,592

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

		For the Year Ended 31 st March, 2020	For the Year Ended 31 st March, 2019
20	Revenue from Operations		
	Sale of Traded Goods	37,16,244	17,34,121
	Sale of Stores and Spares	-	3,03,350
	Total	37,16,244	20,37,471
21	Other Income		
	Interest income	2,48,582	24,61,927
	Dividends on FVOCI investments	750	750
	Rent	-	4,17,634
	Profit on sale of fixed assets	-	3,58,12,769
	Other non-operating income	48,39,295	1,23,60,599
	Total	50,88,627	5,10,53,679
22	Cost of Sales		
	Cost of Traded Goods	36,00,111	8,91,833
	Cost of Stores & Spares	-	2,65,068
	Total	36,00,111	11,56,901
23	Employee Benefit Expenses		
	Salaries and wages	1,09,67,554	52,26,335
	Contribution to provident and other funds	1,63,227	3,86,698
	Staff welfare expenses	1,34,005	2,94,220
	Total	1,12,64,786	59,07,253
24	Finance Cost		
	Interest expenses	18,20,025	62,11,666
	Total	18,20,025	62,11,666

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

		For the Year Ended 31 st March, 2020	For the Year Ended 31 st March, 2019
25	Other Expenses		
	Power & Fuel	6,46,426	7,38,415
	Repairs to Buildings	12,71,713	91,108
	Machinery	2,11,100	2,98,238
	Others	5,40,130	9,56,054
	Stores & Spares - Consumed	14,278	34,072
	Stores & Spares - Scrapped	-	1,23,98,623
	Loss on sale of Scrapped Fixed Assets - CWIP	1,00,19,841	23,18,889
	Insurance	3,55,206	3,57,718
	Rates and taxes	6,12,281	4,15,397
	Travelling and conveyance expenses	5,32,714	3,71,201
	Legal and professional fees	14,41,910	17,49,135
	Printing, stationery and communication expenses	5,93,374	5,22,562
	Bank charges	4,337	7,818
	Security charges	25,13,823	29,44,554
	Sundry balances written off	9,17,416	-
	Sundry expenses	11,42,891	25,74,442
	Directors' sitting fees	64,000	72,000
	Auditors' remuneration		
	Audit fee	1,00,000	1,00,000
	Taxation matters	78,000	3,73,750
	Reimbursement of expenses	3,413	4,109
	Total	2,10,62,853	2,63,28,085

Note 26

Earning Per Share (EPS)

Sr. No.	Particulars	For the Year Ended 31 st March, 2020	For the Year Ended 31 st March, 2019
i.	Total Comprehensive Income / (Expenses) for the year (Amount in ₹)	4,22,01,312	1,31,78,184
ii.	Weighted Average number of Equity Shares outstanding	1,04,69,400	1,04,69,400
iii.	Weighted Average number of Equity Shares including diluted potential equity shares outstanding during the year	1,04,69,400	1,04,69,400
iv.	Face Value of Equity Shares in ₹	10.00	10.00
v.	Basic Earning per Equity Share (Before Extraordinary item)	4.03	1.26
vi.	Diluted Earning per Equity Share (Before Extraordinary item)	4.03	1.26
vii.	Basic Earning per Equity Share (After Extraordinary item)	4.03	1.26
viii.	Diluted Earning per Equity Share (After Extraordinary item)	4.03	1.26

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 27

Contingent Liabilities :

- a. Claims against the company not acknowledged are as follows :

(Amount in ₹)

Name of the Statute	As at March 31, 2020	As at March 31, 2019
Income Tax	1,88,95,265	1,88,95,265
Irrigation Department	25,92,05,087	25,92,05,087
MSME Interest	47,38,474	37,13,293
Employee Compensation	27,60,000	-

The Company is in appeal for these claims.

- b. Guarantees / Counter Guarantees given to Banks, Financial Institutions and other Body Corporate ₹ 27,05,00,000/- (Previous Year ₹ 27,05,00,000/-)

Note 28

The operation of company's methanol division has been unviable and in turn forced the company to suspend its production activities since Sept.'1999. However, the company is making efforts to obtain alternative feed stock for its methanol plant to restart the operation. Considering the fact that laying of pipeline for supply of gas by Gas Authority of India Ltd. is completed, the company is hopeful to restart its plant. Accordingly the company continues to prepare accounts on the basis of "Going Concern Concept".

Note 29

As mentioned above the company had suspended its production activities since Sept.'1999, as a result of this the company has transferred some of the employees to other Division /Group Companies w.e.f. 30th October,1999. None of the transferred employees has reported to their duties.

Note 30

The company has obtained a valuation report from registered valuer in respect of its methanol division. On considering the same, the management is of the opinion that there is no loss on account of impairment of assets as per IND AS - 36 "Impairment of Assets" as issued by ICAI pertaining to this division.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 31

Employee Benefits

Defined Contribution Plan

Provident Fund

Superannuation fund and Pension scheme, 1995

The company has recognized the following amounts in the statement of Profit and Loss which are included under Contribution to Provident and other funds :

(Amount in ₹)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Contribution to : Provident Fund	93,867	1,59,320

Disclosure for Defined Benefit Plans based on actuarial valuation report :

	For the year ended March 31, 2020	For the year ended March 31, 2019
Gratuity		
Changes in defined benefit obligations		
Present value of defined benefit obligation as at the beginning of the year	6,55,580	23,71,139
Interest Cost	43,662	1,70,248
Current Service Cost	16,110	44,266
Liability transferred out	-	18,77,192
Past service cost-vested benefits	-	-
Benefit paid	-	(1,23,462)
Actuarial (gain)/loss due to changes in financial assumptions	22,731	1,934
Actuarial (gain)/loss due to changes in experience adjustments	1,43,971	68,647
Present value of defined benefit obligation as at end of the year	8,82,054	6,55,580
Changes in Fair Value of Plan Assets		
Fair value of Plan Assets at the beginning of the year	-	-
Interest Income	-	-
Employer Contribution	-	-
Benefits paid	-	-
Return on Plan Assets (excluding interest income)	-	-
Fair value of Plan Assets at end of the year	-	-
Amount recognized in the Balance Sheet		
Present value of defined benefit obligation at end of the year	(8,82,054)	(6,55,580)
Fair value of Plan Assets at end of the year	-	-
Net liability recognize in the Balance Sheet	(8,82,054)	(6,55,580)
Current Provision	4,25,451	3,80,231
Non Current provision	4,56,603	2,75,349

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

	31.03.2020	31.03.2019
Expenses recognized in the Statement of Profit and Loss		
Interest Cost /(Income)	43,662	1,70,248
Current Service Cost	16,110	44,266
Actuarial (Gain) / Losses	-	-
Past Service Cost – vested benefits	-	-
Expenses recognized in the Statement of Profit and Loss	59,772	2,14,514
Expenses recognized in the Other Comprehensive Income (OCI)		
Remeasurement (gain) / loss	1,66,702	70,581
Actuarial (gain)/loss due to change in financial assumptions	-	-
Actuarial (gain)/loss due to change in experience adjustment	-	-
Net (Income)/Expenses recognized in OCI	1,66,702	70,581
Movement in the present value of net defined benefit obligations are as follows		
Opening net liability	6,55,580	23,71,139
Liability transferred out	-	(18,77,192)
Expenses recognized in the Statement of Profit and Loss	59,772	2,14,514
Expenses recognized in OCI	1,66,702	70,581
Benefits paid	-	(1,23,462)
Closing net liability	8,82,054	6,55,580
Actuarial Assumptions		
Retirement age - years	58 & 65	58
Discount rate and expected Return on Plan Assets	5.76% p.a.	6.66% p.a.
Mortality	Indian Assured Lives Mortality (2006-2008) Ultimate	Indian Assured Lives Mortality (2006-2008) Ultimate
Rate of Employee turnover	2% p.a.	2% p.a.
Salary escalation	5% p.a.	5% p.a.
Other details		
No of Active Members	7	8
Per month salary for Active Members	4,27,267	4,39,833
Weighted Average duration of the Projected Benefit Obligation	4	2
Average Expected Future Service - years	4	2
Projected Benefit obligation	8,82,054	6,55,580
Prescribed Contribution for next year (12 months)	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Maturity analysis of defined benefit obligation from the employer	Estimated for the year ended March 31, 2020	Estimated for the year ended March 31, 2019
1 st following year	4,25,451	3,80,231
2 nd following year	11,685	2,77,293
3 rd following year	12,927	99
4 th following year	13,633	521
5 th following year	18,100	545
Sum of years 6 to 10	5,85,897	3,121
Sum of years 11 and above	-	23,720

(Amount in ₹)

	Estimated for the year ended March 31, 2020	Estimated for the year ended March 31, 2019
Sensitivity analysis		
Delta impact of +1% change in discount rate	(25,170)	(3,678)
Delta impact of -1% change in discount rate	26,990	3,855
Delta impact of +1% change in salary escalation rate	26,927	3,879
Delta impact of -1% change in salary escalation rate	(25,581)	(3,770)
Delta impact of +1% change in rate of employee turnover	(6,048)	(367)
Delta impact of -1% change in rate of employee turnover	6,217	370

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Characteristics of defined benefit plan

The Company has a defined benefit gratuity plan in India (unfunded).

Risks associated with defined benefit plan

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the government security rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from own funds.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Characteristics of defined benefit plans

During the year, the company has changed the benefit scheme in line with Payment of Gratuity Act, 1972 by increasing monetary ceiling from 10 lakhs to 20 lakhs. Change in liability (if any) due to this scheme change is recognised as past service cost.

Note 32

Segment Reporting IND AS-108 :

The company has the following primary segments during the year :

- 1 Methanol
- 2 Trading Goods

Information about Primary Business Segment :

(Amount in ₹)

Particulars	Methanol		Trading		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment Revenue	-	-	37,16,244	17,34,121	37,16,244	17,34,121
Segment Results before interest, exceptional / extraordinary items and tax	(2,23,75,499)	(1,34,16,712)	1,16,133	8,42,288	(2,22,59,366)	(1,25,74,424)
Exceptional Items					7,15,00,000	-
Net Unallocable (Income)/ Expenses					50,52,595	(3,20,34,855)
Finance Cost					18,20,025	62,11,666
Profit/(Loss) for the year before tax					4,23,68,014	1,32,48,765
Tax Expenses					-	-
Other Comprehensive Income/(Expenses)					(1,66,702)	(70,581)
Total Comprehensive Income/ (Expenses) for the year					4,22,01,312	1,31,78,184

Other Information

(Amount in ₹)

Particulars	Methanol		Trading		Unallocable		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment Assets	5,13,65,722	6,54,39,422	4,08,105	-	9,49,613	9,24,855	5,27,23,440	6,63,64,277
Segment Liabilities	5,62,082,054	61,79,24,203	-	-	-	-	56,20,82,054	61,79,24,203
Depreciation	1,89,082	2,38,480	-	-	-	-	1,89,082	2,38,480
Non cash expenses other than depreciation	-	-	-	-	-	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 33

Related Party Disclosure

A. List of related parties as required by Ind AS-24 “Related Party Disclosure” are given below :

i	Subsidiary	Rama Capital & Fiscal Services Pvt. Ltd.
ii	Associates	Silver Eagle Inc
iii	Key Management personnel (KMP) & their relatives	Mr. H D Ramsinghani – Managing Director & CFO Mr. R D Jog – Company Secretary
iv	Non Executive Directors	Mrs. N H Ramsinghani Mr. R G Kulkarni Mr. D N Singh Mr. B L Khanna Mr. S S Arora upto 30/09/2019
v	Where persons mentioned in (iii) exercise significant influence	Rainbow Denim Ltd. Rama Phosphates Ltd. Rama Industries Ltd. Rainbow Agri Industries Ltd. Bluelagoon Investments Pvt. Ltd.

B. Transactions with related parties :

(Amount in ₹)

	Type of related party	Description of nature of transaction	Volume of transaction during 2019-20	Volume of transaction during 2018-19	Balance as on 31.03.2020 Receivable / (Payable)	Balance as on 31.03.2019 Receivable / (Payable)
i	Subsidiary					
	Rama Capital & Fiscal Services Pvt. Ltd.	Loans / Advances given	-	50,000	23,75,44,140	30,90,44,140
		Loans / Advances recovered	7,15,00,000	50,000	-	-
ii	Key management personnel					
	Mr. H D Ramsinghani	Remuneration paid	36,00,000	14,60,000	-	-
		Sitting fees paid	-	10,000	-	-
		Sitting Fees refund	-	6,000	-	-
	Mr R D Jog	Remuneration Paid	6,60,000	7,096	-	-
iii	Non Executive Director					
	Mrs. N H Ramsinghani	Sitting fees paid	4,000	6,000	-	-
	Mr. R G Kulkarni	Sitting fees paid	24,000	28,000	-	-
	Mr. N R Joshi	Sitting fees paid	-	8,000	-	-
	Mr. D N Singh	Sitting fees paid	10,000	4,000	-	-
	Mr. S S Arora	Sitting fees paid	10,000	20,000	-	-
	Mr. B L Khanna	Sitting fees paid	16,000	2,000	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

	Type of related party	Description of nature of transaction	Volume of transaction during 2019-20	Volume of transaction during 2018-19	Balance as on 31.03.2020 Receivable / (Payable)	Balance as on 31.03.2019 Receivable / (Payable)
iv	Where KMP and their relatives exercise significant influence					
	Rama Krishi Rasayan (A Div. of Rama Phosphates Ltd.)	Sale of goods – excluding tax	37,16,244	20,02,352	4,08,105	-
	Rama Phosphates Ltd	Sale of goods – excluding tax	-	64,369	-	-
	Rama Industries Ltd.	Sale of Fixed Asset	-	1,70,000	-	-
	Rainbow Denim Ltd	Loans / Advances repaid	-	10,00,000	-	-
	Rainbow Agri Industries Ltd.	Loans / Advances taken	1,77,00,000	6,15,90,604	-	(12,00,00,000)
		Loans / Advances repaid	13,77,00,000	6,77,15,604	-	-
	Bluelagoon Investments Pvt. Ltd	Loans / Advances taken	14,19,00,000	8,39,50,000	(20,15,50,000)	(10,21,50,000)
		Loans / Advances repaid	4,25,00,000	10,57,50,000	-	-

Terms and conditions of transaction with related parties :

The sale to related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash.

Note 34

Deferred Taxation

(Amount in ₹)

Particular	As At March 31, 2020	As At March 31, 2019
Deferred Tax Liability		
Property, Plant and Equipment	4,87,994	5,03,926
Deferred Tax Assets		
Provision for doubtful receivables	1,09,68,481	1,09,68,481
Unused Tax Credit / losses	2,44,95,523	1,87,35,121
Expenses that are allowed on payment basis	19,60,319	18,34,686
Total Deferred Tax Asset	3,74,24,323	3,15,38,288
Net Deferred (Asset) / Liability	(3,69,36,329)	(3,10,34,362)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Movement in deferred tax balances

Movement in deferred tax during the year ended March 31, 2020

Particular	Opening balance as at April 01, 2019	Changes during the year *	Closing balance as at March 31, 2020
Property, Plant and Equipment	5,03,926	-	4,87,994
Provision for doubtful receivables	1,09,68,481	-	1,09,68,481
Unused Tax Credit / losses	1,87,35,121	-	2,44,95,523
Expenses that are allowed on payment basis	18,34,686	-	19,60,319

Movement in deferred tax during the year ended March 31, 2019

(Amount in ₹)

Particular	Opening balance as at April 01, 2018	Changes during the year *	Closing balance as at March 31, 2019
Property, Plant and Equipment	9,12,266	-	5,03,926
Provision for doubtful receivables	1,08,63,016	-	1,09,68,481
Unused Tax Credit / losses	1,91,23,982	-	1,87,35,121
Expenses that are allowed on payment basis	38,91,148	-	18,34,686

* In view of the company not expecting any taxable profits in near future, no deferred tax asset is recognized.

Note 35

Financial Instruments - Fair Value and Risk Management

a. Accounting Classification

The carrying value of financial instruments by categories are as follows :

(Amount in ₹)

Particulars	March 31, 2020	March 31, 2019
	Amortise Cost	Amortise Cost
Financial Assets		
Loans	2,06,492	2,11,492
Trade receivable	4,08,105	-
Cash and cash equivalents	24,18,047	9,80,979
Other financial assets	88,09,969	77,33,353
Total	1,18,42,613	89,25,824
Financial Liabilities		
Borrowings	20,76,50,000	26,07,50,000
Trade payable	14,76,593	26,90,503
Other financial liabilities	35,13,69,200	35,33,57,737
Total	56,04,95,793	61,67,98,240

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

b. Risk management framework

The Company's principal financial liabilities include borrowing, trade and other payables. The Company's principal financial assets include loans, trade receivable, cash and cash equivalents and others. The Company also holds FVTOCI investments. The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

c. Financial Risk Management

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

- i) Credit Risk
- ii) Liquidity Risk
- iii) Market Risk

i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investment in inter corporate deposit and loans given.

The carrying amount of following financial assets represents the maximum credit exposure :

Trade receivable

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. No impairment is observed on the carrying value of trade receivables.

Other financial assets

Credit risk from balances with banks, loans, investments is managed by Company's finance department. Investments of surplus funds are made only with approved counterparties. No impairment on such investment has been recognised as on the reporting date.

ii) Liquidity Risk

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

The Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank loans and inter-corporate loans.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Exposure to Liquidity Risk

The following are the remaining contractual maturities of financial liabilities at the reporting date.

(Amount in ₹)

March 31, 2020	Carrying Amount	Contractual Cashflows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Borrowings	20,76,50,000	20,76,50,000	10,00,000	-	-	20,66,50,000
Trade payable	14,76,593	14,76,593	14,76,593	-	-	-
Other Financial Liabilities	35,13,69,200	35,13,69,200	72,26,309	-	-	34,41,42,891

(Amount in ₹)

March 31, 2019	Carrying Amount	Contractual Cashflows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Borrowings	26,07,50,000	26,07,50,000	-	3,35,00,000	-	22,72,50,000
Trade payable	26,90,503	26,90,503	26,90,503	-	-	-
Other Financial Liabilities	35,33,57,737	35,33,57,737	83,09,936	-	-	34,50,47,801

iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and commodity prices which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market exposures within acceptable parameters, while optimising the return.

Currency Risk

Currency risk is not material, as the Company's primary business activities are within India and does not have any exposure in foreign currency.

Interest rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rate is not material as the Company is having fixed rate borrowings.

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss.

Commodity price Risk

The Company's activities are exposed to naphtha and gas price risks and therefore its overall risk management program focuses on the volatile nature of the naphtha and gas market, thus seeking to minimize potential adverse effects on the Company's financial performance on account of such volatility.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 36

Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt and the total equity of the Company. For this purpose, net debt is defined as total borrowings less cash and cash equivalents.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirements are met through short-term/long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The company's net debt to equity ratio is as follows :

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
Borrowings	20,76,50,000	26,07,50,000
Less : Cash and Cash Equivalents	24,18,047	9,80,979
Net Debt	20,52,31,953	25,97,69,021
Total Equity	(50,93,58,614)	(55,15,59,926)
Debt / Equity ratio	(0.40)	(0.47)

Note 37

Previous year figures have been regrouped / rearranged wherever necessary to make them comparable.

As per our report of even date attached

For and on behalf of the Board of Directors

For Dayal & Lohia

Chartered Accountants

(Firm's Registration No. 102200W)

Anil Lohia

Partner

Membership No. 031626

Place : Mumbai

Date : June 30, 2020

D. N. Singh

Director

DIN : 00021741

Place : Mumbai

Date : June 30, 2020

H.D. Ramsinghani R. D. Jog

Managing Director Company Secretary

DIN : 00035416

**CONSOLIDATED
FINANCIAL
STATEMENTS**

Independent Auditor's Report

To the Members of Rama Petrochemicals Limited

Report on the Consolidated Financial Statements

Qualified Opinion

We have audited the Consolidated Financial Statements of **Rama Petrochemicals Limited** ("the Company") and its subsidiary **Rama Capital and Fiscal Services Pvt. Ltd.** (together referred as "the Group"), which comprise of the Consolidated Balance Sheet as at 31st March 2020, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the consolidated 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 matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- (a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at March 31, 2020;
- (b) in case of consolidated statement of Profit and Loss, of the consolidated loss for the year ended on that date;
- (c) in case of consolidated statement of changes in equity, of the consolidated changes in equity for the year ended on that date; and
- (d) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

Going Concern – We draw attention to Note 28 & 30 regarding the Group's Consolidated Financial Statements having been prepared using the going concern basis of accounting. Management is responsible for assessing the Group's ability to continue as a going concern. The Consolidated Balance Sheet and Consolidated Cash Flow Statement, indicate that as on March 31, 2020, the Group's Current Liabilities being more than its Current Assets; and Group has incurred net Operating Loss of ₹ 1,76,93,008/- during the year ended March 31, 2020. Production of the Parent Company is discontinued for last many years. These factors indicate that there is a significant doubt on the Group's ability to continue as a going concern. Our opinion is modified in respect of this matter.

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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

S.N.	Key Audit Matters	Auditor's Response
1.	Impairment of assets	The Company has obtained a valuation report dt.01/09/2015 from a registered valuer which indicates that there is no impairment of assets.
2.	Ability to continue as a going concern	Our opinion is suitably modified. Refer para on Basis for Qualified Opinion of the report above.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises of the information included in the Management Discussion and Analysis, Draft Board's Report including Annexures to the said Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial 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, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The Company's Board of Directors are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group so far as it appears from our examination of those books.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, 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, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015;
- e) On the basis of the written representations received from the directors of the Group as on 31st March, 2020 taken on record by the Board of Directors of the Group, none of the directors of the Group's companies incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group in Note 27 of the consolidated financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no dues which were required to be transferred to Investor Education and Protection Fund by the Company and its subsidiary company incorporated in India.

For Dayal and Lohia
Chartered Accountants
Firm Regn. No. 102200W

Anil Lohia
(Partner)

Place: Mumbai
Date: 30th June, 2020.

M. No. : 31626
UDIN : 20031626AAAABT1578

ANNEXURE – ‘A’ TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RAMA PETROCHEMICALS LIMITED & ITS SUBSIDIARY COMPANY

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended 31st March 2020, we have audited the internal financial controls over financial reporting of **Rama Petrochemicals Limited** (hereinafter referred to as “the Company”) and its subsidiary (together referred as “the Group”), as of 31st March, 2020 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Board of Directors, 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 (‘ICAI’). 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 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Group’s internal financial controls over financial reporting 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, issued by Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both 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 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 and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 audit opinion on the Company and its subsidiary company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are

being made only in accordance with authorizations of management and directors 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

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

Opinion

In our opinion, the Group have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, 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.

For **Dayal and Lohia**
Chartered Accountants
Firm Regn. No. 102200W

Anil Lohia
(Partner)
M. No. : 31626

Place: Mumbai
Date: 30th June, 2020.

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

(Amount in ₹)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-Current Assets			
Property, plant and equipments	2	72,88,743	74,96,473
Capital Work in progress		95,75,530	2,41,20,371
Financial Assets:			
Investments	3	-	4,63,80,000
Other financial assets	4	56,13,927	56,13,927
Total Non-Current Assets		<u>2,24,78,200</u>	<u>8,36,10,771</u>
Current Assets			
Inventories	5	1,80,94,447	1,80,94,447
Financial Assets:			
Trade receivables	6	4,08,105	-
Cash and cash equivalents	7	29,04,925	14,49,889
Loans	8	2,06,492	2,11,492
Other financial assets	9	31,90,723	21,20,107
Current tax assets (Net)		1,01,684	6,84,805
Other current assets	10	67,25,944	77,82,252
Total Current Assets		<u>3,16,32,320</u>	<u>3,03,42,992</u>
	TOTAL ASSETS	<u>5,41,10,520</u>	<u>11,39,53,763</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	10,46,94,000	10,46,94,000
Other equity	12	(61,27,17,400)	(58,39,96,093)
Total Equity		<u>(50,80,23,400)</u>	<u>(47,93,02,093)</u>
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	13	20,76,50,000	23,59,79,398
Other financial liabilities	14	31,03,44,140	31,03,44,140
Provisions	15	5,72,569	2,94,628
Total Non-Current Liabilities		<u>51,85,66,709</u>	<u>54,66,18,166</u>
Current Liabilities			
Financial Liabilities :			
Trade payables	16	14,76,592	26,90,503
Other financial liabilities	17	4,10,76,928	4,31,15,853
Other current liabilities	18	4,48,872	2,12,742
Provisions	19	5,64,819	6,18,592
Total Current Liabilities		<u>4,35,67,211</u>	<u>4,66,37,690</u>
Total Liabilities		<u>56,21,33,920</u>	<u>59,32,55,856</u>
	TOTAL EQUITY AND LIABILITIES	<u>5,41,10,520</u>	<u>11,39,53,763</u>
Significant accounting policies	1		
The accompanying notes 2 to 37 are an integral part of the Financial Statements			

As per our report of even date attached

For and on behalf of the Board of Directors

For Dayal & Lohia

Chartered Accountants

(Firm's Registration No. 102200W)

Anil Lohia

Partner

Membership No. 031626

D. N. Singh

Director

DIN : 00021741

H.D. Ramsinghani

Managing Director

DIN : 00035416

R. D. Jog

Company Secretary

Place : Mumbai

Date : June 30, 2020

Place : Mumbai

Date : June 30, 2020

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
REVENUE			
Revenue from operations	20	37,56,452	21,04,307
Other income	21	58,80,474	5,13,89,732
Total Revenue		<u>96,36,926</u>	<u>5,34,94,039</u>
EXPENSES			
Cost of sales	22	36,39,425	12,21,581
Changes in inventories		-	3,387
Employee benefits expense	23	1,12,64,786	59,07,253
Finance costs	24	18,22,227	62,11,666
Depreciation	2	2,07,730	2,57,128
Other expenses	25	2,12,57,363	2,71,75,232
Total expenses		<u>3,81,91,531</u>	<u>4,07,76,247</u>
Profit / (Loss) before exceptional item and tax		<u>(2,85,54,605)</u>	1,27,17,792
Profit / (Loss) before tax		<u>(2,85,54,605)</u>	1,27,17,792
Tax Expense		-	-
Profit / (Loss) for the year		<u>(2,85,54,605)</u>	1,27,17,792
Other Comprehensive Income / (Expenses)			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit obligations		<u>(1,66,702)</u>	<u>(70,581)</u>
Total Other Comprehensive Income / (Expenses)		<u>(1,66,702)</u>	<u>(70,581)</u>
Total Comprehensive Income / (Expenses) for the year		<u>(2,87,21,307)</u>	<u>1,26,47,211</u>
Earnings per equity shares (Face Value of ₹ 10/- each)	26		
Basic		(2.74)	1.21
Diluted		(2.74)	1.21
Significant accounting policies	1		
The accompanying notes 2 to 37 are an integral part of the Financial Statements			

As per our report of even date attached

For and on behalf of the Board of Directors

For Dayal & Lohia

Chartered Accountants

(Firm's Registration No. 102200W)

Anil Lohia

Partner

Membership No. 031626

D. N. Singh

Director

DIN : 00021741

H.D. Ramsinghani

Managing Director

DIN : 00035416

R. D. Jog

Company Secretary

Place : Mumbai

Date : June 30, 2020

Place : Mumbai

Date : June 30, 2020

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit / (Loss) before Tax	(2,85,54,605)	1,27,17,792
Adjustments for :		
Depreciation on property, plant and equipment	2,07,730	2,57,128
Finance Cost	18,22,227	62,11,666
Actuarial Gain / (Loss) on Defined Benefit Plan	(1,66,702)	(70,581)
Dividend income	(2,276)	(5,998)
Interest income	(10,19,223)	(27,92,732)
(Profit) on sale of fixed assets	-	(3,58,12,769)
Loss on sale of fixed assets - CWIP	1,00,19,841	-
	<u>1,08,61,597</u>	<u>(3,22,13,286)</u>
Operating (Loss) / Profit before working capital changes	<u>(1,76,93,008)</u>	<u>(1,94,95,494)</u>
Adjustment for changes in working capital		
(Increase) / Decrease in:		
Inventories	-	1,26,17,263
Trade receivables	(4,08,105)	10,76,472
Other financial assets - Non Current	-	(35,02,926)
Other financial assets - Current	(4,18,884)	29,46,419
Other Current Assets	10,56,307	44,52,824
Provisions - Non Current	2,77,941	(6,81,357)
Trade payables	(12,13,911)	(2,96,819)
Other Current financial liabilities	(20,38,925)	2,87,250
Other Current liabilities	2,36,130	(29,74,001)
Provisions - Current	(53,773)	(15,65,286)
	<u>(25,63,220)</u>	<u>1,23,59,839</u>
Cash generated from Operations	<u>(2,02,56,228)</u>	<u>(71,35,655)</u>
Direct taxes paid	(68,610)	(6,84,805)
Net Cash generated from Operating activities before exceptional items	<u>(2,03,24,838)</u>	<u>(78,20,460)</u>
Net Cash generated from / (used in) Operating activities	<u>(2,03,24,838)</u>	<u>(78,20,460)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	-	(7,700)
Sale of fixed assets	45,25,000	3,75,00,007
Sale of investments	4,63,80,000	5,61,20,000
Dividend received	2,276	5,998
Interest received	10,19,223	27,92,732
Loans	5,000	-
Net Cash generated from / (used in) Investing activities	<u>5,19,31,499</u>	<u>9,64,11,037</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from/(repayment) of borrowings (net)	(2,83,29,398)	(8,32,22,665)
Finance Cost	(18,22,227)	(62,11,666)
Net Cash used in Financing activities	<u>(3,01,51,625)</u>	<u>(8,94,34,331)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	<u>14,55,036</u>	<u>(8,43,754)</u>
Cash and Cash Equivalents - at the start of the year	14,49,889	22,93,643
Cash and Cash Equivalents - at the end of the year	29,04,925	14,49,889
Note : The above statement of Cash Flows has been prepared under the " Indirect Method" as set out in IND AS 7, "Statement of Cash Flows"		

As per our report of even date attached

For and on behalf of the Board of Directors

For Dayal & Lohia

Chartered Accountants

(Firm's Registration No. 102200W)

Anil Lohia

Partner

Membership No. 031626

D. N. Singh

Director

DIN : 00021741

H.D. Ramsinghani

Managing Director

DIN : 00035416

R. D. Jog

Company Secretary

Place : Mumbai

Date : June 30, 2020

Place : Mumbai

Date : June 30, 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
A Equity Share Capital		
Balance at the beginning of the year	10,46,94,000	10,46,94,000
Changes in equity share capital during the year	-	-
Balance at the end of the year	10,46,94,000	10,46,94,000
B Other Equity	Reserve and Surplus	Total
	Capital Reserve	Retained Earnings
Balance as at 1st April 2018	60,30,000	(60,26,73,304)
Profit/(loss) for the year	-	1,27,17,792
Other comprehensive income/(expenses)	-	(70,581)
Total comprehensive income/(expenses)	-	1,26,47,211
Balance as at 31st March 2019	60,30,000	(59,00,26,093)
Profit/(loss) for the year	-	(2,85,54,605)
Other comprehensive income/(expenses)	-	(1,66,702)
Total comprehensive income/(expenses)	-	(2,87,21,307)
Balance as at 31st March 2020	60,30,000	(61,87,47,400)

As per our report of even date attached

For and on behalf of the Board of Directors

For Dayal & Lohia

Chartered Accountants

(Firm's Registration No. 102200W)

Anil Lohia

Partner

Membership No. 031626

D. N. Singh

Director

DIN : 00021741

H.D. Ramsinghani

Managing Director

DIN : 00035416

R. D. Jog

Company Secretary

Place : Mumbai

Date : June 30, 2020

Place : Mumbai

Date : June 30, 2020

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

NOTE 1

A. Corporate Information

Rama Petrochemicals Limited (“the Company”) is a public limited company, incorporated and domiciled in India having its registered office at Savroli Kharpada Road, Village Vashivalli, P.O. Patalganga Tal. Khalapur Dist. Raigarh 410220, Maharashtra, India. The equity shares of the Company are listed on BSE Limited. The Company is into Methanol manufacturing, having manufacturing facility located at Patalganga (Maharashtra) and also Trading in various commodities.

B. PRINCIPLES OF CONSOLIDATION :

The Consolidated Financial Statement relate to Rama Petrochemicals Ltd. (the company) and Rama Capital & Fiscal Services Pvt. Ltd., (the Subsidiary). The Consolidated Financial Statements have been prepared on the following basis :

The financial statements of the Company and its subsidiary Company have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses.

The financial statements of the subsidiary used in the consolidation are drawn upto the same reporting date as that of the parent company i.e. 31st March, 2020.

The excess of cost to the Company’s of its investment in the subsidiary company over the company’s position of the equity of the subsidiary is recognized in the financial statement as Goodwill.

As the Company hold 100% equity in a subsidiary company, question of minority interest does not arise. Subsidiary company is incorporated in India.

C. Significant Accounting Policies

1. Basis of Preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (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. The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities, which are measured at fair value.

Use of Estimates and Judgements

The preparation of the Company’s financial statements requires management to make informed judgements, reasonable assumptions and estimates that affect the amounts reported in the financial statements and notes thereto. Uncertainty about these could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods. These assumptions and estimates are reviewed periodically based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit & Loss in the period in which the estimates are revised and in any future periods affected.

In the assessment of the Company, the most significant effects of use of judgments and/or estimates on the amounts recognized in the financial statements relate to the following areas :

- Financial instruments;
- Useful lives of property, plant & equipment;
- Valuation of inventories;
- Measurement of recoverable amounts of assets / cash-generating units;

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

- Assets and obligations relating to employee benefits;
- Provisions and Contingencies.

2. Revenue Recognition :

- a. Revenue is recognized when the substantial risks and rewards of ownership is transferred to the buyer on dispatch of goods.
- b. Interest income is recognized on time proportionate basis.
- c. Dividend income from investments is recognized when the right to receive the dividend is established.
- d. Claims and damages are accounted as and when they are finalized.

3. Property, Plant and Equipment :

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment includes purchase price, including freight, duties, taxes and expenses incidental to acquisition and installation. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Property, plant and equipment are derecognized from financial statements, either on disposal or when no economic benefits are expected from its use or disposal. The gain or losses arising from disposal of property, plant and equipment are recognized in the Statement of Profit and Loss in the year of occurrence.

Subsequent expenditures

Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company and cost can be reliably measured. All other repair and maintenance costs are recognized in the Statement of Profit and Loss during the year in which they are incurred.

4. Depreciation :

- a. Depreciation on Fixed Assets is provided on straight line method based on the useful lives of the assets as prescribed in Schedule II of the Companies Act, 2013.
- b. Depreciation on addition / deletion is provided pro-rata basis with reference to the date of addition / deletion as the case may be.
- c. Individual assets acquired for less than ₹ 5,000/- are depreciated fully in the year of acquisition.
- d. The details of estimated life for each category of assets are as under :
 - i) Buildings – 5 to 60 years
 - ii) Plant and Machinery – 15 to 20 years
 - iii) Furniture and Fixture – 10 years
 - iv) Office Equipments – 5 years
 - v) Vehicles – 8 years
 - vi) Free hold land is not depreciated.
 - vii) Lease hold land is amortised over the life of the lease.

5. Cash Flow Statements :

Cash flow statement is prepared in accordance with the indirect method prescribed under IND AS - 7 “Cash Flow Statements” issued by the Institute of Chartered Accountants of India.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

6. Foreign Currency Transactions :

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

The gain or loss arising out of settlement / translation of the assets and the liabilities at the closing rates due to exchange fluctuations is recognized as income / expenditure in the statement of profit and loss.

7. Investments :

Investments, other than those covered under financial assets, that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non-Current investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

8. Valuation of Inventories :

- a. Raw Material and work in process are valued at cost (on “first in first out basis”) or net realisable value whichever is lower. Raw material and work in process are not written down below cost if the finished product in which they will be incorporated are expected at or above cost.
- b. Stores & Spares are valued at cost (on “first in first out basis”).
- c. Stocks in transit are valued at cost or market value whichever is lower.
- d. Finished goods are valued at cost or net realizable value, whichever is lower.
- e. Inventories of traded goods are valued at cost or net realizable value, whichever is lower.
- f. In case of subsidiary company inventories of shares and debentures are valued at cost or market value whichever is lower on basket valuation method.

9. Employee’s Benefits :

Short Term 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 are recognized in the period in which the employee renders the related service.

Long Term Employee Benefits :

Defined Contribution Plan :

The company has Defined Contribution plans for post employment benefits namely Provident Fund. Under the provident Fund Plan, the company contributes to a Government administered provident fund on behalf of its employees.

The Company’s contributions to the above funds are charged to revenue every year.

Defined Benefit Plans :

The Company’s liabilities towards gratuity and leave encashment are determined using the projected unit credit method as at the balance sheet date.

Actuarial gains and losses are recognised in other comprehensive income for gratuity and recognised in the Statement of Profit & Loss for leave encashment.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Remeasurement gain and losses arising from experience adjustments, changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (OCI). They are included in retained earnings in the statement of change in equity and in the balance sheet.

10. Borrowing Cost :

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 respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

11. Segment Reporting :

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, debtors and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated income / expenses.

12. Fair value measurement :

The Company's accounting policies and disclosures require the measurement of fair values for financial assets and liabilities.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

13. Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

A. Financial Assets :**Initial recognition and measurement**

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Subsequent measurement

For the purpose of subsequent measurement, the financial assets are classified as under :

Financial assets at amortised cost

A financial asset is measured at the amortised cost, if both the following conditions are met :

- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. Interest income from these financial assets is included in other income using the EIR in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are classified as FVTOCI, if both of the following criteria are met :

- (i) These assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets; and
- (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Fair value movements are recognised in the other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income and foreign exchange gains or losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Profit or Loss and recognised in other income/(loss).

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is recognized in profit or loss and presented net in the Statement of Profit and Loss within other income in the period in which it arises.

Equity instruments

All equity instruments other than investments in associates are measured at fair value. Equity instruments which are for trading are classified as FVTPL. All other equity instruments are measured at fair value through other comprehensive income (FVTOCI). The classification is made on initial recognition and is irrevocable.

Where the Company's management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in profit and loss when the Company's right to receive payments is established.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020**Impairment of financial assets**

The Company applies 'simplified approach' for recognition of impairment loss on financial assets for loans, deposits and trade receivables.

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime Expected Credit Loss at each reporting date, right from its initial recognition.

De-recognition

A financial asset is derecognized when :

- (i) the rights to receive cash flows from the assets have expired or
- (ii) the Company has transferred substantially all the risk and rewards of the asset, or
- (iii) the Company has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

B. Financial Liabilities :**Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction cost.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. For trade and other payables maturing within operating cycle, the carrying amounts approximate the fair value due to short maturity of these instruments.

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. Gain and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transaction costs. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

De-recognition

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reflected in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

14. Taxes :

The tax expense comprises current and deferred tax. Tax is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI.

(i) Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantially enacted at the reporting date.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amount used for taxation purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

15. Earnings per share :

The Company reports basic and diluted earnings per share (EPS) in accordance with IND AS-33 on earnings per share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

16. Cash and Cash Equivalents :

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand, demand deposit and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

17. Current and non-current classification :

Assets and Liabilities in the balance sheet have been classified as either current or non-current. An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current. A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

18. Impairment of Non-Financial Assets :

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The 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. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. If such recoverable amount of the asset or cash generating unit is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is any indication that any impairment loss recognized for an asset in prior years may no longer exist or may have decreased, the recoverable amount is reassessed and such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

19. Provisions :

A provision is recognized when the company has a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

20. Contingent Liabilities :

Contingent liabilities, if any are disclosed in the notes on accounts. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the approval of the accounts by the board of directors and which have material effect on the position stated in the balance sheet.

Ind AS 101 allows first-time adopters certain exemptions/exceptions from the retrospective application of certain requirements under Ind AS. In preparing these financial statements, the Company has applied the following exemptions:

D. Ind AS Optional Exemptions:

Deemed cost for property, plant and equipment

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value and use that as its deemed cost as at the date of transition (April 01,2016).

Designation of previously recognized financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has designated investments in equity shares (other than investments in equity shares of associates) as held at FVTOCI on the basis of the facts and circumstances that existed at the date of transition.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020
2 Property, Plant and Equipments

100

(Amount in ₹)

Particulars	Gross Carrying Amount		Depreciation			Net Carrying Amount	
	As at 01.04.2019	As at 31.03.2020	Upto 31.03.2019	On Deductions/ Adjustments	Upto 31.03.2020	As at 31.03.2020	As at 31.03.2019
Land Free-hold	36,10,057	36,10,057	-	-	-	36,10,057	36,10,057
Buildings	44,99,195	44,99,195	6,32,134	2,05,419	8,37,553	36,61,642	38,67,061
Plant & equipment	96,214	96,214	96,183	-	96,183	31	31
Office Equipments	65	65	-	-	-	65	65
Furniture and fixtures	23,138	23,138	3,884	2,311	6,195	16,943	19,254
Vehicles	5	5	-	-	-	5	5
Total	82,28,674	82,28,674	7,32,201	2,07,730	9,39,931	72,88,743	74,96,473

Particulars	Gross Carrying Amount		Depreciation			Net Carrying Amount	
	As at 01.04.2018	As at 31.03.2019	Upto 31.03.2018	On Deductions/ Adjustments	Upto 31.03.2019	As at 31.03.2019	As at 31.03.2018
Land Free-hold	36,10,057	36,10,057	-	-	-	36,10,057	36,10,057
Land lease-hold	1,76,449	-	5,382	2,536	-	-	1,71,067
Buildings	61,41,372	44,99,195	5,17,569	2,45,742	6,32,134	38,67,061	56,23,803
Plant & equipment	96,221	96,214	89,638	6,545	96,183	31	6,583
Office Equipments	65	65	-	-	-	65	65
Furniture and fixtures	23,138	23,138	1,579	2,305	3,884	19,254	21,559
Vehicles	5	5	-	-	-	5	5
Total	1,00,47,307	82,28,674	6,14,168	2,57,128	7,32,201	74,96,473	94,33,139

- 2.1 Immoveable properties of the Company are also mortgaged on first pari-passu charge basis in favour of Financial Institution and Banks to secure Term loan sanctioned to denim division of the company. In the year 1999 - 2001, denim division of the company was demerged as Rainbow Denim Ltd.
- 2.2 Premises of a subsidiary company is mortgaged with bank for loans taken by a related party.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
3 Investments		
Non Current Investments (At Cost)		
Investment in Unquoted Shares (Other than trade)		
NIL (92,760) Equity Shares of Elate Investment and Holdings Pvt. Ltd of ₹ 10/- each fully paid up	-	4,63,80,000
Total	<u>-</u>	<u>4,63,80,000</u>
Aggregate value of Unquoted Investments	<u>-</u>	<u>4,63,80,000</u>
4 Other Financial Assets		
Other Financial Assets (Non Current)		
Security Deposits		
Considered doubtful	2,06,600	2,06,600
Considered Good	<u>56,13,927</u>	<u>56,13,927</u>
	<u>58,20,527</u>	<u>58,20,527</u>
Less : Provision for doubtful deposits	2,06,600	2,06,600
Total	<u><u>56,13,927</u></u>	<u><u>56,13,927</u></u>
5 Inventories		
Stores & Spares	1,80,93,447	1,80,93,447
Shares and Debentures	1,000	1,000
For Mode of valuation refer Note 1(C-8)		
Total	<u><u>1,80,94,447</u></u>	<u><u>1,80,94,447</u></u>
6 Trade receivables		
Unsecured Considered Good unless stated otherwise		
Due more than six months		
considered good	-	-
considered doubtful	<u>3,84,116</u>	<u>3,84,116</u>
	<u>3,84,116</u>	<u>3,84,116</u>
Due less than six months		
considered good	<u>4,08,105</u>	-
	<u>7,92,221</u>	<u>3,84,116</u>
Less : Provision for doubtful debts	3,84,116	3,84,116
Total	<u><u>4,08,105</u></u>	<u><u>-</u></u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
7 Cash and cash equivalents		
Balances with banks:		
In current accounts	24,12,105	11,30,547
Cash on hand	4,92,820	3,19,342
Total	29,04,925	14,49,889
8 Loans		
Loans - Current		
Unsecured - considered good		
Loans to employees	2,06,492	2,11,492
Total	2,06,492	2,11,492
9 Other Financial Assets		
Other financial assets (Current)		
Interest receivable	2,06,372	3,72,519
Fixed Deposits	6,12,792	13,04,613
Net Tax Assets	9,24,855	2,73,124
Others		
considered doubtful	4,15,95,749	4,15,95,749
Considered good	14,46,704	1,69,851
	4,30,42,453	4,17,65,600
Less : Provisions for doubtful	4,15,95,749	4,15,95,749
	14,46,704	1,69,851
Total	31,90,723	21,20,107
10 Other current assets		
Balances with Govt Authorities	66,68,837	75,86,803
Prepaid expenses	57,107	1,95,449
Total	67,25,944	77,82,252

- 10.1 During the year 1998-99, company had imported some material and could not pay custom duty due to financial crisis. The material was stored in Central Warehousing Corporation bonded warehouse. During the year 2012-13, the company came to know that the material was auctioned by the Custom Authority for non payment of duty. Since the matter is pending with High Court, claims for the same amounting to ₹ 1,87,71,179/- is provided in the books of accounts included in doubtful provisions.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	As At	As At
	31.03.2020	31.03.2019
11 Equity Share Capital		
Authorised		
5,00,00,000 (5,00,00,000) Equity Shares of ₹ 10/- each	50,00,00,000	50,00,00,000
Issued, Subscribed and Paid up		
1,04,69,400 (1,04,69,400) Equity shares of ₹ 10/- each fully paid up	10,46,94,000	10,46,94,000
Total issued, subscribed and fully paid up share capital	10,46,94,000	10,46,94,000

a Reconciliation of the equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31.03.2020		As at 31.03.2019	
	Number	Amount in ₹	Number	Amount in ₹
Shares outstanding at the beginning of the year	1,04,69,400	10,46,94,000	1,04,69,400	10,46,94,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,04,69,400	10,46,94,000	1,04,69,400	10,46,94,000

b Terms/rights attached to the equity shares

Details of the rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital.

Equity Shares : The Company has only one class of Equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share. Dividend is payable in the proportion to the Capital Paid up. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c Details of the shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31st March, 2020		As at 31 March, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Silver Eagle Inc	30,40,000	29	30,40,000	29
Libra Mercantile Pvt Ltd	14,04,401	13	14,04,401	13
Jupiter Corporate Services Pvt. Ltd.	6,34,330	6	6,34,330	6

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
12 Other Equity		
Capital Reserve		
Opening balance	60,30,000	60,30,000
Addition during the year	-	-
Closing balance	<u>60,30,000</u>	<u>60,30,000</u>
Retained Earnings		
Opening balance	(59,00,26,093)	(60,26,73,304)
Profit / (Loss) for the year	(2,85,54,605)	1,27,17,792
Items of other comprehensive income recognised directly in retained earnings:		
Remeasurement of defined benefit obligation (net of tax)	(1,66,702)	(70,581)
Closing Balance	<u>(61,87,47,400)</u>	<u>(59,00,26,093)</u>
Total Other Equity	<u>(61,27,17,400)</u>	<u>(58,39,96,093)</u>
13 Borrowings		
Borrowings (Non Current)		
Secured Loans		
From Others	10,00,000	3,35,00,000
	<u>10,00,000</u>	<u>3,35,00,000</u>
Unsecured Loans		
From related parties	20,15,50,000	19,73,79,398
From others	51,00,000	51,00,000
	<u>20,66,50,000</u>	<u>20,24,79,398</u>
Total	<u>20,76,50,000</u>	<u>23,59,79,398</u>

13.1 Terms and Condition of Borrowings : Loan from others is secured by a personal guarantee of a director. Interest on the loans is payable @ 9% p.a. quarterly at the end of the quarter. Loan is repayable on 30/09/2020.

14 Other Financial Liabilities
Other financial liabilities (Non Current)

Interest Free sales tax deferral	31,03,44,140	31,03,44,140
Total	<u>31,03,44,140</u>	<u>31,03,44,140</u>

14.1 The company had a liability of ₹ 31,23,33,405/- payable from 30th April 2001 to 30th April 2014 to sales tax department of Government of Maharashtra in respect of sales tax deferral scheme. The company had paid ₹ 19,89,265/- against the same.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
15 Provisions		
Provisions (Non Current)		
For employee benefits - (refer note 31)		
Gratuity	4,56,603	2,75,349
Leave benefits	1,15,966	19,279
Total	5,72,569	2,94,628
CURRENT FINANCIAL LIABILITES		
16 Trade payables		
Amount Due to MSME	14,33,622	14,33,622
Others	42,970	12,56,881
Total	14,76,592	26,90,503
16.1	Based on the information available with the company, one party has been identified as MSME as defined under "Micro,Small and medium Enterprise Development Act,2006" which has claimed ₹ 14,33,622/- (Previous Year ₹ 14,33,622/-) towards supply. This liability has been disputed by the company. The party has filed a complaint against the company, with Micro and Small Enterprises Facilitation Council. Under these circumstances interest, if any, will be accounted as and when becomes payable.	
17 Other Financial Liabilities		
Other financial liabilities (Current)		
Statutory dues	62,18,352	61,98,376
Others	3,48,58,576	3,69,17,477
Total	4,10,76,928	4,31,15,853
18 Other Current Liabilities		
Other liabilities	4,48,872	2,12,742
Total	4,48,872	2,12,742
19 Provisions		
Provisions (Current)		
For employee benefits - (refer note 31)		
Gratuity	4,25,451	3,80,231
Leave benefits	1,39,368	2,38,361
Total	5,64,819	6,18,592

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
20 Revenue from Operations		
Sale of Traded Goods	37,56,452	18,00,957
Sale of Stores and Spares	-	3,03,350
Total	37,56,452	21,04,307
21 Other Income		
Interest income	10,19,223	27,92,732
Dividends on FVOCI investments	2,276	5,998
Rent	-	4,17,634
Profit on sale of fixed assets	-	3,58,12,769
Other non-operating income	48,58,975	1,23,60,599
Total	58,80,474	5,13,89,732
22 Cost of Sales		
Cost of Traded Goods	36,39,425	9,56,513
Cost of Stores & Spares	-	2,65,068
Total	36,39,425	12,21,581
23 Employee Benefit Expenses		
Salaries and wages	1,09,67,554	52,26,335
Contribution to provident and other funds	1,63,227	3,86,698
Staff welfare expenses	1,34,005	2,94,220
Total	1,12,64,786	59,07,253
24 Finance Cost		
Interest expenses	18,22,227	62,11,666
Total	18,22,227	62,11,666
25 Other Expenses		
Power & Fuel	6,52,097	7,43,487
Repairs to		
Buildings	12,71,713	91,108
Machinery	2,11,100	2,98,238
Others	5,40,130	9,56,054
Stores & Spares - Consumed	14,278	34,072
Stores & Spares - Scrapped	-	1,23,98,623
Loss on sale of Scrapped Fixed Assets - CWIP	1,00,19,841	23,18,889
Insurance	3,55,981	3,58,481

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rates and taxes	7,28,129	4,82,335
Travelling and conveyance expenses	5,32,714	3,71,201
Legal and professional fees	14,59,410	24,75,352
Printing, stationery and communication expenses	6,08,053	5,30,413
Bank charges	5,134	9,709
Security charges	25,13,823	29,44,554
Sundry balances written off	9,17,416	-
Sundry expenses	11,50,131	25,83,857
Directors' sitting fees	64,000	72,000
Auditors' remuneration		
Audit fee	1,29,000	1,29,000
Taxation matters	81,000	3,73,750
Reimbursement of expenses	3,413	4,109
Total	2,12,57,363	2,71,75,232

Note 26

Earning Per Share (EPS)

Sr. No.	Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
i	Total Comprehensive Income/(Expenses) for the year (Amount in ₹)	(2,87,21,307)	1,26,47,211
ii	Weighted Average number of Equity Shares outstanding	1,04,69,400	1,04,69,400
iii	Weighted Average number of Equity Shares including diluted potential equity shares outstanding during the year	1,04,69,400	1,04,69,400
iv	Face Value of Equity Shares in ₹	10.00	10.00
v	Basic Earning per Equity Share (Before Extraordinary item)	(2.74)	1.21
vi	Diluted Earning per Equity Share (Before Extraordinary item)	(2.74)	1.21
vii	Basic Earning per Equity Share (After Extraordinary item)	(2.74)	1.21
viii	Diluted Earning per Equity Share (After Extraordinary item)	(2.74)	1.21

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Note 27

Contingent Liabilities :

a. Claims against the company not acknowledged are as follows :

(Amount in ₹)

Name of the Statute	As at March 31, 2020	As at March 31, 2019
Income Tax	2,44,91,973	2,44,91,973
Irrigation Department	25,92,05,087	25,92,05,087
MSME Interest	47,38,474	37,13,293
Employee Compensation	27,60,000	-

The Company is in appeal for these claims.

b. Guarantees / Counter Guarantees given to Banks, Financial Institutions and other Body Corporate ₹ 27,05,00,000/- (Previous Year ₹ 27,05,00,000/-)

Note 28

The operation of company's methanol division has been unviable and in turn forced the company to suspend its production activities since Sept.'1999. However, the company is making efforts to obtain alternative feed stock for its methanol plant to restart the operation. Considering the fact that laying of pipeline for supply of gas by Gas Authority of India Ltd. is completed, the company is hopeful to restart its plant. Accordingly the company continues to prepare accounts on the basis of "Going Concern Concept".

Note 29

As mentioned above the company had suspended its production activities since Sept.'1999, as a result of this the company has transferred some of the employees to other Division /Group Companies w.e.f. 30th October,1999. None of the transferred employees has reported to their duties.

Note 30

The company has obtained a valuation report from registered valuer in respect of its methanol division. On considering the same, the management is of the opinion that there is no loss on account of impairment of assets as per IND AS - 36 "Impairment of Assets" as issued by ICAI pertaining to this division.

Note 31

Employee Benefits

Defined Contribution Plan

Provident Fund

Superannuation fund and Pension scheme, 1995

The company has recognized the following amounts in the statement of Profit and Loss which are included under Contribution to Provident and other funds :

(Amount in ₹)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Contribution to : Provident Fund	93,867	1,59,320

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Disclosure for Defined Benefit Plans based on actuarial valuation report :

	For the year ended March 31, 2020	For the year ended March 31, 2019
Gratuity		
Changes in defined benefit obligations		
Present value of defined benefit obligation as at the beginning of the year	6,55,580	23,71,139
Interest Cost	43,662	1,70,248
Current Service Cost	16,110	44,266
Liability transferred out	-	18,77,192
Past service cost-vested benefits	-	-
Benefit paid	-	(1,23,462)
Actuarial (gain)/loss due to changes in financial assumptions	22,731	1,934
Actuarial (gain)/loss due to changes in experience adjustments	1,43,971	68,647
Present value of defined benefit obligation as at end of the year	8,82,054	6,55,580
Changes in Fair Value of Plan Assets		
Fair value of Plan Assets at the beginning of the year	-	-
Interest Income	-	-
Employer Contribution	-	-
Benefits paid	-	-
Return on Plan Assets (excluding interest income)	-	-
Fair value of Plan Assets at end of the year	-	-
Amount recognized in the Balance Sheet		
Present value of defined benefit obligation at end of the year	(8,82,054)	(6,55,580)
Fair value of Plan Assets at end of the year	-	-
Net liability recognize in the Balance Sheet	(8,82,054)	(6,55,580)
Current Provision	4,25,451	3,80,231
Non Current provision	4,56,603	2,75,349
	31.03.2020	31.03.2019
Expenses recognized in the Statement of Profit and Loss		
Interest Cost /(Income)	43,662	1,70,248
Current Service Cost	16,110	44,266
Actuarial (Gain) / Losses	-	-
Past Service Cost – vested benefits	-	-
Expenses recognized in the Statement of Profit and Loss	59,772	2,14,514
Expenses recognized in the Other Comprehensive Income (OCI)		
Remeasurement (gain) / loss	1,66,702	70,581
Actuarial (gain)/loss due to change in financial assumptions	-	-
Actuarial (gain)/loss due to change in experience adjustment	-	-
Net (Income)/Expenses recognized in OCI	1,66,702	70,581

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

	31.03.2020	31.03.2019
Movement in the present value of net defined benefit obligations are as follows		
Opening net liability	6,55,580	23,71,139
Liability transferred out	-	(18,77,192)
Expenses recognized in the Statement of Profit and Loss	59,772	2,14,514
Expenses recognized in OCI	1,66,702	70,581
Benefits paid	-	(1,23,462)
Closing net liability	8,82,054	6,55,580
Actuarial Assumptions		
Retirement age - years	58 & 65	58
Discount rate and expected Return on Plan Assets	5.76% p.a.	6.66% p.a.
Mortality	Indian Assured Lives Mortality (2006-2008) Ultimate	Indian Assured Lives Mortality (2006-2008) Ultimate
Rate of Employee turnover	2% p.a.	2% p.a.
Salary escalation	5% p.a.	5% p.a.
Other details		
No of Active Members	7	8
Per month salary for Active Members	4,27,267	4,39,833
Weighted Average duration of the Projected Benefit Obligation	4	2
Average Expected Future Service - years	4	2
Projected Benefit obligation	8,82,054	6,55,580
Prescribed Contribution for next year (12 months)	-	-
Maturity analysis of defined benefit obligation from the employer	Estimated for the year ended March 31, 2020	Estimated for the year ended March 31, 2019
1 st following year	4,25,451	3,80,231
2 nd following year	11,685	2,77,293
3 rd following year	12,927	99
4 th following year	13,633	521
5 th following year	18,100	545
Sum of years 6 to 10	5,85,897	3,121
Sum of years 11 and above	-	23,720

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

	Estimated for the year ended March 31, 2020	Estimated for the year ended March 31, 2019
Sensitivity analysis		
Delta impact of +1% change in discount rate	(25,170)	(3,678)
Delta impact of -1% change in discount rate	26,990	3,855
Delta impact of +1% change in salary escalation rate	26,927	3,879
Delta impact of -1% change in salary escalation rate	(25,581)	(3,770)
Delta impact of +1% change in rate of employee turnover	(6,048)	(367)
Delta impact of -1% change in rate of employee turnover	6,217	370

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Characteristics of defined benefit plan

The Company has a defined benefit gratuity plan in India (unfunded).

Risks associated with defined benefit plan

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the government security rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from own funds.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Characteristics of defined benefit plans

During the year, the company has changed the benefit scheme in line with Payment of Gratuity Act, 1972 by increasing monetary ceiling from 10 lakhs to 20 lakhs. Change in liability (if any) due to this scheme change is recognised as past service cost.

In case of subsidiary company, provision for leave encashment and gratuity is not required as the company does not have any employee as on 31st March, 2020.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Note 32

Segment Reporting IND AS-108 :

The company has the following primary segments during the year :

- 1 Methanol
- 2 Trading Goods

Information about Primary Business Segment :

(Amount in ₹)

Particulars	Methanol		Trading		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment Revenue	-	-	37,56,452	18,00,957	37,56,452	18,00,957
Segment Results before interest, exceptional / extraordinary items and tax	(2,23,75,499)	(1,34,16,712)	1,17,027	8,44,444	(2,25,58,472)	(1,25,72,268)
Net Unallocable (Income)/Expenses					44,73,906	(3,15,01,726)
Finance Cost					18,22,227	62,11,666
Profit/(Loss) for the year before Tax					(2,85,54,605)	1,27,17,792
Tax Expenses					-	-
Other Comprehensive Income/(Expenses)					(1,66,702)	(70,581)
Total Comprehensive Income/(Expenses) for the year					(2,87,21,307)	1,26,47,211

Other Information

(Amount in ₹)

Particulars	Methanol		Trading		Unallocable		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment Assets	5,13,65,722	6,54,39,422	4,08,105	-	23,36,693	4,85,14,341	5,41,10,520	11,39,53,763
Segment Liabilities	5,62,082,054	56,26,26,538	-	-	51,866	3,06,29,318	56,21,33,920	59,32,55,856
Depreciation	1,89,082	2,38,480	-	-	18,648	18,648	2,07,730	2,57,128
Non cash expenses other than depreciation	-	-	-	-	-	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Note 33

Related Party Disclosure

A. List of related parties as required by Ind AS-24 “Related Party Disclosure” are given below :

i	Associates	Silver Eagle Inc
ii	Key Management personnel (KMP) & their relatives	Mr. H D Ramsinghani – Managing Director & CFO Mr. R D Jog – Company Secretary Mr. C M Divakaran Nair – Director
iii	Non Executive Directors	Mrs. N H Ramsinghani Mr. R G Kulkarni Mr. D N Singh Mr. B L Khanna Mr. S S Arora upto 30/09/2019
iv	Where persons mentioned in (iii) exercise significant influence	Rainbow Denim Ltd. Rama Phosphates Ltd. Rama Industries Ltd. Rainbow Agri Industries Ltd. Bluelagoon Investments Pvt. Ltd. Nova Gelicon Pvt. Ltd.

B. Transactions with related parties :

(Amount in ₹)

	Type of related party	Description of nature of transaction	Volume of transaction during 2019-20	Volume of transaction during 2018-19	Balance as on 31.03.2020 Receivable / (Payable)	Balance as on 31.03.2019 Receivable / (Payable)
I	Key management personnel					
	Mr. H D Ramsinghani	Remuneration paid	36,00,000	14,60,000	-	-
		Sitting fees paid	-	10,000	-	-
		Sitting fees refunded	-	6,000	-	-
	Mr. R D Jog	Remuneration paid	6,60,000	7,096	-	-
ii	Non Executive Director					
	Mrs. N H Ramsinghani	Sitting fees paid	4,000	6,000	-	-
	Mr. R G Kulkarni	Sitting fees paid	24,000	28,000	-	-
	Mr. N R Joshi	Sitting fees paid	-	8,000	-	-
	Mr. D N Singh	Sitting fees paid	10,000	4,000	-	-
	Mr. S S Arora	Sitting fees paid	10,000	20,000	-	-
	Mr. B L Khanna	Sitting fees paid	16,000	2,000	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

	Type of related party	Description of nature of transaction	Volume of transaction during 2019-20	Volume of transaction during 2018-19	Balance as on 31.03.2020 Receivable / (Payable)	Balance as on 31.03.2019 Receivable / (Payable)
iii	Where KMP and their relatives exercise significant influence					
	Rama Krishi Rasayan (A Div. of Rama Phosphates Ltd.)	Sale of goods – excluding tax	37,16,244	20,02,352	4,08,105	-
	Rama Phosphates Ltd.	Sale of goods – excluding tax	-	64,369	-	(3,05,27,063)
		Premises pledged with bank	This transaction is of non monetary consideration	This transaction is of non monetary consideration	-	-
	Rama Industries Ltd.	Sale of goods – excluding tax	-	1,70,000	-	-
	Rainbow Denim Ltd	Loans / Advances repaid	-	10,00,000		
	Rainbow Agri Industries Ltd.	Loans / Advances taken	1,77,00,000	6,15,90,604	-	(12,00,00,000)
		Loans / Advances repaid	1,92,700,000	6,77,15,604		
		Loans/Advances given	17,00,000	5,60,00,000	-	5,52,97,665
		Loans/Advances recovered	17,00,000	10,00,000	-	-
		Interest Received	7,69,253	3,30,739	-	-
	Bluelagoon Investments Pvt. Ltd	Loans / Advances taken	15,69,00,000	8,40,50,000	(20,15,50,000)	(10,21,50,000)
		Loans / Advances repaid	5,75,00,000	10,58,50,000	-	-
	Nova Gelicon Pvt. Ltd.	Securities pledged for loan taken by others	This transaction is of non monetary consideration	This transaction is of non monetary consideration	-	-

Terms and conditions of transaction with related parties :

The sale to related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Note 34

Deferred Taxation

Particular	As At March 31, 2020	As At March 31, 2019
Deferred Tax Liability		
Property, Plant and Equipment	6,17,696	6,32,926
Deferred Tax Assets		
Provision for doubtful receivables	1,09,68,481	1,09,68,481
Unused Tax Credit / losses	4,18,12,433	2,57,02,808
Expenses that are allowed on payment basis	19,59,636	18,34,686
Total Deferred Tax Asset	5,47,40,550	3,85,05,975
Net Deferred (Asset) / Liability	(5,41,22,854)	(3,78,73,049)

Movement in deferred tax balances

Movement in deferred tax during the year ended March 31, 2020

Particular	Opening balance as at April 01, 2019	Changes during the year *	Closing balance as at March 31, 2020
Property, Plant and Equipment	6,32,926	-	6,17,696
Provision for doubtful receivables	1,09,68,481	-	1,09,68,481
Unused Tax Credit / losses	2,57,02,808	-	4,18,12,433
Expenses that are allowed on payment basis	18,34,686	-	19,59,636

Movement in deferred tax during the year ended March 31, 2019

Particular	Opening balance as at April 01, 2018	Changes during the year *	Closing balance as at March 31, 2019
Property, Plant and Equipment	10,40,025	-	6,32,926
Provision for doubtful receivables	1,08,63,016	-	1,09,68,481
Unused Tax Credit / losses	2,60,24,672	-	2,57,02,808
Expenses that are allowed on payment basis	38,91,148	-	18,34,686

* In view of the company not expecting any taxable profits in near future, no deferred tax asset is recognized.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Note 35

Financial Instruments - Fair Value and Risk Management

a. Accounting Classification

The carrying value of financial instruments by categories are as follows :

(Amount in ₹)

Particulars	March 31, 2020	March 31, 2019
	Amortise Cost	Amortise Cost
Financial Assets		
Investment in equity instruments	-	4,63,80,000
Loans	2,06,492	2,11,492
Trade receivable	4,08,105	-
Cash and cash equivalents	29,04,925	14,49,889
Other financial assets	88,04,650	77,34,034
Total	1,23,24,172	5,57,75,415
Financial Liabilities		
Borrowings	20,76,50,000	23,59,79,398
Trade payable	14,76,592	26,90,503
Other financial liabilities	35,14,21,068	35,34,59,993
Total	56,05,47,660	59,21,29,894

b. Fair value hierarchy and Method of valuation

The following table shows fair value measurement hierarchy. Except for these financial instruments, the Company considers that the carrying value amount recognised in the financial statements approximate their fair value largely due to the short term maturities of these instruments.

Particulars	As at March 31, 2020			As at March 31, 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investment in equity instrument	-	-	-	-	4,63,80,000	-

The fair value in respect of the unquoted equity instrument cannot be reliably estimated. The company has measured them at cost.

c. Risk management framework

The Company's principal financial liabilities include borrowing, trade and other payables. The Company's principal financial assets include loans, trade receivable, cash and cash equivalents and others. The Company also holds FVTOCI investments. The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

d. Financial Risk Management

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

- i) Credit Risk
- ii) Liquidity Risk
- iii) Market Risk

i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investment in inter corporate deposit and loans given.

The carrying amount of following financial assets represents the maximum credit exposure :

Trade receivable

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. No impairment is observed on the carrying value of trade receivables.

Other financial assets

Credit risk from balances with banks, loans, investments is managed by Company's finance department. Investments of surplus funds are made only with approved counterparties. No impairment on such investment has been recognised as on the reporting date.

ii) Liquidity Risk

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

The Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cashflows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank loans and inter-corporate loans.

Exposure to Liquidity Risk

The following are the remaining contractual maturities of financial liabilities at the reporting date.

(Amount in ₹)

March 31, 2020	Contractual Cashflows					
	Carrying Amount	Total	Within 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Borrowings	20,76,50,000	20,76,50,000	10,00,000	-	-	20,66,50,000
Trade payable	14,76,592	14,76,592	14,76,592	-	-	-
Other Financial Liabilities	35,14,21,068	35,14,21,068	72,26,309	-	-	34,41,94,759

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

March 31, 2019	Contractual Cashflows					
	Carrying Amount	Total	Within 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Borrowings	23,59,79,398	23,59,79,398	-	3,35,00,000	-	20,24,79,398
Trade payable	26,90,503	26,90,503	26,90,503	-	-	-
Other Financial Liabilities	35,34,59,993	35,34,59,993	83,09,936	-	-	34,51,50,057

iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and commodity prices which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market exposures within acceptable parameters, while optimising the return.

Currency Risk

Currency risk is not material, as the Company's primary business activities are within India and does not have any exposure in foreign currency.

Interest rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rate is not material as the Company is having fixed rate borrowings.

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss.

Commodity price Risk

The Company's activities are exposed to naphtha and gas price risks and therefore its overall risk management program focuses on the volatile nature of the naphtha and gas market, thus seeking to minimize potential adverse effects on the Company's financial performance on account of such volatility.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Note 36

Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt and the total equity of the Company. For this purpose, net debt is defined as total borrowings less cash and cash equivalents.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirements are met through short-term/long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The company's net debt to equity ratio is as follows :

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
Borrowings	20,76,50,000	23,59,79,398
Less : Cash and Cash Equivalents	29,04,925	14,49,889
Net Debt	20,47,45,075	23,45,29,509
Total Equity	(50,80,23,400)	(47,93,02,093)
Debt / Equity ratio	(0.40)	(0.49)

Note 37

Previous year figures have been regrouped / rearranged wherever necessary to make them comparable.

As per our report of even date attached

For and on behalf of the Board of Directors

For Dayal & Lohia

Chartered Accountants

(Firm's Registration No. 102200W)

Anil Lohia

Partner

Membership No. 031626

D. N. Singh

Director

DIN : 00021741

H.D. Ramsinghani

Managing Director

DIN : 00035416

R. D. Jog

Company Secretary

Place : Mumbai

Date : June 30, 2020

Place : Mumbai

Date : June 30, 2020

For Consolidated Financial Statements

Form AOC – 1

(Pursuant to first proviso to sub section (3) of section 129 read with
rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiary

Name of the Subsidiary	: Rama Capital & Fiscal Services Pvt. Ltd.
The date since when subsidiary was acquired	: 15/11/1995
Reporting period for the subsidiary concerned	: 31.03.2020
Reporting currency	: ₹
Share Capital	: ₹ 3,00,03,000
Reserves and Surplus	: ₹ (26,62,11,928)
Total Assets	: ₹ 13,87,081
Total Liabilities	: ₹ 23,75,96,009
Investments	: Nil
Turnover	: ₹ 8,32,055
Profit/(Loss) before taxation	: ₹ 5,77,381
Provision for taxation	: Nil
Profit/(Loss) after taxation	: ₹ 5,77,381
Other Comprehensive Income	: Nil
Total Comprehensive Profit/(Loss) for the year	: ₹ 5,77,381
Proposed dividend	: Nil
% of share holding	: 100%

As per our report of even date attached

For and on behalf of the Board of Directors

For Dayal & Lohia

Chartered Accountants

(Firm's Registration No. 102200W)

Anil Lohia

Partner

Membership No. 031626

D. N. Singh

Director

DIN : 00021741

H.D. Ramsinghani

Managing Director

DIN : 00035416

R. D. Jog

Company Secretary

Place : Mumbai

Date : June 30, 2020

Place : Mumbai

Date : June 30, 2020

