PRISM JOHNSON LIMITED

October 27, 2020

The National Stock Exchange (India) Ltd., Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051.	BSE Limited, Corporate Relationship Department, P. J. Towers, Dalal Street, Fort, Mumbai – 400 023.
Code : PRSMJOHNSN	Code : 500338

Dear Sir/Madam,

Ref : Postal Ballot Notice to the Equity Shareholders of Prism Johnson Limited as per the directions of the Hon'ble National Company Law Tribunal, Bench at Hyderabad ('NCLT')

As required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Postal Ballot Notice to the Equity Shareholders of Prism Johnson Limited as per the directions of the NCLT, vide its order dated October 14, 2020, for the purpose of considering, and if thought fit, approving the arrangement proposed in the matter of the Composite Scheme of Arrangement and Amalgamation : (i) Demerger of retail/trading business undertakings of TBK Rangoli Tile Bath Kitchen Private Limited, TBK Venkataramiah Tile Bath Kitchen Private Limited and TBK Samiyaz Tile Bath Kitchen Private Limited into its holding company H. & R. Johnson (India) TBK Limited ('HRJTBK) (ii) subsequent demerger of retail/trading business undertaking of HRJTBK into the Company (iii) reduction of share capital of Silica Ceramica Private Limited ('Silica') and (iv) subsequent amalgamation of Milano Bathroom Fittings Private Limited and Silica into the Company and their respective shareholders and creditors by way of Postal Ballot only through remote e-voting.

Pursuant to Sections 230 to 232 read with Sections 108 and 110 of the Companies Act, 2013 and Rules made thereunder, the Company has provided the facility to cast votes on the resolution for approval of the Scheme by Postal Ballot through remote e-voting as per the directions of the NCLT, during the period as stated below :

Manner of voting	Commencement of voting	End of Voting
Postal Ballot through remote e-voting	9:00 a.m. IST On October 28, 2020	5.00 p.m. IST On November 27, 2020

KFin Technologies Private Limited, Registrar & Transfer Agent of the Company, ('KFin') will be providing the facility for voting through remote e-voting.

Voting rights are reckoned on the paid-up value of shares registered in the name of member(s)/list of beneficial owners as received from NSDL/CDSL ('Depositories') as on the cut-off date i.e. Friday, October 23, 2020. We would like to further inform that the emails of the Notice along with the Explanatory Statement and other relevant Annexures in accordance with Sections 230 and 232 of the Companies Act, 2013, have been sent today i.e. Tuesday, October 27, 2020, to the Equity Shareholders of the Company who have registered their email addresses with the Company/KFin or the Depository Participants.

The copy of the Postal Ballot Notice to the Equity Shareholders is also available on the website of the Company www.prismjohnson.in.

Kindly take the same on your record and acknowledge.

Yours faithfully,

for **PRISM JOHNSON LIMITED**

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ANEETA S. KULKARNI
COMPANY SECRETARY

Corporate Office: "Rahejas", Main Avenue, V.P. Road, Santacruz (W), Mumbai - 400 054. India. T: +91-22-66754142/43/44/45
Registered Office: Prism Johnson Limited, 305, Laxmi Niwas Apartments, Ameerpet. Hyderabad - 500 016, India.
w: www.prismjohnson.in, E: info@prismjohnson.in

CIN: L26942TG1992PLC014033

PRISM JOHNSON LIMITED
CIN : L26942TG1992PLC014033
Registered Office : 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500 016
Phone : +91-40-23400218; Fax : +91-40-23402249
e-mail : investor@prismjohnson.in; website : www.prismjohnson.in
Corporate Office : Rahejas, Main Avenue, V. P. Road, Santacruz (West), Mumbai - 400 054

E-VOTING ON POSTAL BALLOT – EQUITY SHAREHOLDERS		
Commencing on	:	9.00 A.M. on Wednesday, October 28, 2020
Ending on	:	5.00 P.M. on Friday, November 27, 2020

INDEX

FORM NO. CAA. 2

[Pursuant to Section 230 (3) and rule 6 and 7 of Companies Act, 2013]

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL
BENCH AT HYDERABAD
CA No. 91/230/HDB/2020
IN THE MATTER OF COMPANIES ACT, 2013 (18 OF 2013)
AND
IN THE MATTER OF SECTIONS 230 TO 232 READ WITH SECTION 52 AND ALL OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013
AND
IN THE MATTER OF COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION
AMONGST

PRISM JOHNSON LIMITED
(RESULTING COMPANY 2 OR AMALGAMATED COMPANY)
AND
H. & R. JOHNSON (INDIA) TBK LIMITED
(RESULTING COMPANY 1 OR DEMERGED COMPANY 4)
AND
MILANO BATHROOM FITTINGS PRIVATE LIMITED
(AMALGAMATING COMPANY 1)
AND
SILICA CERAMICA PRIVATE LIMITED
(AMALGAMATING COMPANY 2)
AND
TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED
(DEMERGED COMPANY 1)
AND
TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED
(DEMERGED COMPANY 2)
AND
TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED
(DEMERGED COMPANY 3)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PRISM JOHNSON LIMITED (CIN : L26942TG1992PLC014033) A Company incorporated under the Companies Act, 1956, Having its Registered Office at 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500016, India

…………. Applicant Company/Amalgamated Company/Resulting Company 2/Company

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013 and applicable rules made thereunder)

To,
The Equity Shareholders of
Prism Johnson Limited

NOTICE is hereby given that by an Order dated October 14, 2020 (‘Order’) by the Hyderabad Bench of the National Company Law Tribunal (‘Hon’ble Tribunal’ or ‘NCLT’) and pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 (‘the Rules’), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI LODR’) including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Ministry of Corporate Affairs (“MCA”) General Circulars No.14, 17 & 22/2020 & 33/2020 dated April 8, 2020, April 13, 2020, June 15, 2020 and September 28, 2020 respectively (‘MCA Circulars’) and subject to other applicable laws and regulations, that the Special Resolution appended below for the purpose of considering and if thought fit, approving the arrangement proposed in the matter of the Composite Scheme of Arrangement and Amalgamation : (i) Demerger of retail/trading business undertakings of TBK Rangoli Tile Bath Kitchen Private Limited, TBK Venkataramiah Tile Bath Kitchen Private Limited and TBK Samiyaz Tile Bath Kitchen Private Limited into its holding company H. & R. Johnson (India) TBK Limited (‘HRJTBK) (ii) subsequent demerger of retail/trading business undertaking of HRJTBK into the Company (iii) reduction of share capital of Silica Ceramica Private Limited (‘Silica’) and (iv) subsequent amalgamation of Milano Bathroom Fittings Private Limited and Silica into the Company and their respective shareholders (‘Scheme’) is proposed to be passed by the Members by way of Postal Ballot only through remote e-voting.

In view of the massive outbreak of COVID-19 pandemic requiring social distancing, MCA has in terms of the above MCA Circulars advised the companies to take all decisions requiring members' approval, other than items of ordinary business or business where any person has a right to be heard, by way of Postal Ballot through remote e-voting mechanism in accordance with the provisions of the Act and Rules made thereunder, without holding a general meeting that requires physical presence of Members at a common venue. MCA has clarified that the requirements provided in Rule 20 of the Rules as well as the framework provided in the MCA Circulars will be applicable mutatis mutandis for companies that are required to provide e-voting facility under the Act while they are transacting any business(es) only by Postal Ballot upto December 31, 2020.

The Company will send Postal Ballot Notice (‘Notice’) by email to all its Members who have registered their email addresses with the Company/KFin Technologies Private Limited, Registrar & Transfer Agent of the Company, (‘KFin’) or the Depository Participants. Hard copy of Notice along with Postal Ballot Form and pre-paid business reply envelope will not be sent to the Members for this Postal Ballot and Members are required to communicate their assent or dissent only through the remote e-voting system. This Postal Ballot is accordingly being initiated in compliance with the MCA Circulars.

The Explanatory Statement pursuant to sections 102 and 110 of the Act pertaining to the Special Resolution setting out the material facts concerning the same and the reasons thereof are annexed hereto for your consideration.

A copy of this notice and the accompanying documents are also placed on the website of the Company viz. www.prismjohnson.in and will also be available on the website of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') at www.bseindia.com and www.nseindia.com respectively and also on the website of KFin at www.evoting.kfintech.com.

The Hon'ble Tribunal has appointed Mrs. Varalakshmi Tadepalli, Advocate to be the Chairperson. The Tribunal has also appointed Mrs. Anantha Laxmi, Advocate, as the Scrutiniser for conducting the Postal Ballot through remote e-voting process in a fair and transparent manner.

The above Scheme if approved by the Equity shareholders, will be subject to the subsequent approval of the Hon'ble Tribunal.

Members are requested to peruse the proposed Resolution along with Explanatory Statement and thereafter record their assent or dissent by means of remote e-voting facility provided by the Company not later than 5:00 p.m. IST on Friday, November 27, 2020, failing which it will be strictly considered that no reply has been received from the Members. Members desiring to exercise their votes are requested to carefully read the instructions in the Notes under the section "Voting through Remote E-voting".

The Scrutiniser will submit her report to the Chairperson, after completion of scrutiny of the votes. The results of voting by means of Postal Ballot through Remote E-voting will be displayed along with the Scrutiniser's Report at the Registered as well as Corporate Office of the Company, communicated to the Stock Exchanges and would also be uploaded on the Company's website: www.prismjohnson.in and on the website of KFin: https://evoting.kfintech.com/. The said Report will also be filed with Hon'ble Hyderabad Bench of NCLT.

SPECIAL BUSINESS

To consider and if thought fit to pass with requisite majority, the following resolution under Sections 230 to 232 of the Companies Act, 2013 (including any statutory modification(s) thereof for the time being in force) :

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 read with Section52 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read with Companies (Compromise, Arrangements and Amalgamation) Rules, 2016 (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force), and other applicable provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI LODR') and subject to the approval of the Hyderabad Bench of the Hon'ble National Company Law Tribunal, and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hyderabad Bench of the Hon'ble National Company Law Tribunal or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Composite Scheme of Arrangement and Amalgamation of Demerger of retail/trading business undertakings of TBK Rangoli Tile Bath Kitchen Private Limited ('Demerged Company 1'), TBK Venkataramiah Tile Bath Kitchen Private Limited ('Demerged Company 2') and TBK Samiyaz Tile Bath Kitchen Private Limited ('Demerged Company 3'), into its holding company H. & R. Johnson (India) TBK Limited ('Resulting Company 1' or 'Demerged Company 4') and subsequent demerger of retail/trading business undertaking of Demerged Company 4 into the Company ('Resulting Company 2' or 'Amalgamated Company') and reduction of share capital of Silica Ceramica Private Limited ('Amalgamating Company 2') and subsequent amalgamation of Milano Bathroom Fittings Private Limited ('Amalgamating Company 1') and Amalgamating Company 2 into the Amalgamated Company and their respective Shareholders and Creditors ('Scheme'), be and is hereby approved."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon'ble National Company Law Tribunal, Hyderabad Bench while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."

TAKE FURTHER NOTICE that pursuant to the provisions of : (a) Section 230(4) read with Sections 102, 108 and 110 of the Act; (b) Rule 6 (3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (c) Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof); (d) Regulation 44 and other applicable provisions of the SEBI LODR; and (e) Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by the Securities and Exchange Board of India ('SEBI'), as amended from time to time and other relevant laws and regulations, as may be applicable, the Applicant Company has provided the facility of voting by Postal Ballot through Remote E-voting only so as to enable the equity shareholders to consider and approve the Scheme by way of the aforesaid resolution. KFin will be providing the facility for voting through remote e-voting.

BY ORDER OF NCLT, HYDERABAD BENCH

AUTHORISED SIGNATORY
PRISM JOHNSON LIMITED

Dated : October 27, 2020
Place : Mumbai

Notes :

1. The relevant Explanatory Statement alongwith the copy of the Scheme pursuant to the provisions of Section 230(3) read with Section 102, 110 and Section 232(2) of the Act and Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 along with all annexures in respect of the aforesaid item set out in the Notice is annexed hereto.

2. The Notice is being sent to the Members whose names appear on the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') as on Friday, October 23, 2020 ("cut-off date") and is being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company or KFin or the Depository Participant(s). The Company will not be despatching physical copies of Notice to any Member.

3. Members who have not registered their e-mail addresses are requested to register/update their email addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with KFin by following due procedure.

4. A copy of this Notice and the accompanying documents are available on the website of the Company at www.prismjohnson.in, website of the Stock Exchanges where the shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of KFin at https://evoting.kfintech.com.

5. Members whose names appear on the Register of Members/List of Beneficial Owners as on cut-off date will be considered for the purpose of voting in proportion to their share in the paid-up Equity Share capital of the Company as on the cut-off date. Resolution passed by the Members by way of Postal Ballot through Remote E-voting is deemed to have been passed as if the same has been passed at a General Meeting of the Members.

6. Members cannot exercise votes by proxy on Postal Ballot.

7. A Member need not use all his/her/its votes nor does he/she/it need to cast all his/her/its votes in the same way.

8. Electronic copy of all the documents referred to the accompanying Notice and the Explanatory Statement shall be available for inspection in the investor section of the website of the Company at www.prismjohnson.in.

9. The details regarding E-voting Event Number, User ID and Password along with other instructions are set out below.

10. The voting period for Remote E-voting commences on Wednesday, October 28, 2020 at 9:00 A.M. and ends on Friday, November 27, 2020 at 5.00 P.M. During this period, the equity shareholders holding equity shares either in physical form or in dematerialised

form, as on Friday, October 23, 2020, being the cut-off date, may cast their vote (for or against) electronically.

11. Mrs. Anantha Laxmi, Advocate has been appointed as the Scrutiniser by the NCLT vide its Order dated October 14, 2020. The results declared alongwith the Report of the Scrutiniser shall be placed on the website of the Company viz. www.prismjohnson.in and on the website of KFin viz. https://evoting.kfintech.com and shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the Equity Shares of the Company are listed and shall be displayed at the Registered Office as well as at the Corporate Office of the Company. The said results shall also be filed with NCLT, Hyderabad Bench.

12. The Scrutiniser's decision on the validity of the Postal Ballot shall be final.

13. The notice will be published through advertisement in e-newspaper (i) Financial Express in the English language; and (ii) Nava Telangana in Telegu language, having circulation in Hyderabad.

14. In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority of persons representing three fourth in value of the Shareholders of the Company, voted through Remote E-voting agree to the Scheme.

15. **Procedure for registering the email address and obtaining the Notice and Remote E-voting instructions by the shareholders whose email addresses are not registered with the Depositories (in case of shareholders holding shares in Demat form) or with RTA (in case of shareholders holding shares in physical form) :**

    i. Those Members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:

        a. Members holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.

        b. Members holding shares in physical form may register their email address and mobile number with KFin by sending email to einward.ris@kfintech.com along with signed scanned copy of the request letter providing the email address, mobile number, self-attested PAN copy and copy of share certificate for receiving the Notice and the e-voting instructions or register their e-mail address with KFin by clicking on https://ris.kfintech.com/clientservices/postalballot/.

    ii. Further, those members who have not registered their email addresses and mobile nos. and in consequence could not be served the Notice, may temporarily get themselves registered with KFin, by clicking the link: https://ris.kfintech.com/clientservices/postalballot/ for sending the same. Members are requested to support our commitment to environmental protection by choosing to receive the Company’s communication through email going forward.

iii. With a view to help us serve better, Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company/RTA to consolidate their holdings in one folio.

iv. Members who have registered their e-mail address, mobile nos., postal address and bank account details are requested to validate/update their registered details by contacting the Depository Participant in case of shares held in electronic form or by contacting KFin, in case the shares are held in physical form.

16. **Instructions for Remote E-voting :**

A. Voting through electronic means

a) In compliance with the provisions of Section 108 and 110 and other applicable provisions of the Act, if any, the Companies (Management and Administration) Rules, 2014 as amended, SS-2 and Regulation 44 of the SEBI LODR, the Members are provided with the facility to cast their vote electronically on the resolution set forth in this Notice ('Remote E-voting') through the e-voting platform provided by KFin. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.

b) The Members, whose names appear in the Register of Members/list of Beneficial Owners as on the cut-off date are entitled to vote on the Resolution set forth in this Notice. Members who have acquired shares after the despatch of the Notice may approach KFin for issuance of the User ID and Password for exercising their right to vote by electronic means.

c) Members are requested to note that the Company is providing facility for Remote E-voting and the business is to be transacted through electronic voting system only. A Member may avail of the facility at his/her/its discretion, as per the instructions provided herein.

d) The details of the process and manner for remote e-voting are given below:

i. Initial password is provided in the body of the email.

ii. Launch internet browser and type the URL: https://evoting.kfintech.com in the address bar.

iii. Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your votes.

iv. After entering the details appropriately, click on LOGIN.

v. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi. You need to login again with the new credentials.

vii. On successful login, the system will prompt you to select the EVENT i.e. Prism Johnson Limited.

viii. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.

ix. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

x. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutiniser through email at laxmi.nagendra27@gmail.com and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'PRISM_EVENT No.'

B. General Instructions :

a) In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com or contact at investor@prismjohnson.in or Mr. Mohd Mohsin Uddin, Senior Manager, KFin Technologies Private Limited, Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana - 500 032 or at the email ID evoting@kfintech.com or on phone No.: 040-6716 1500 or call KFin's toll free No.: 1800-3454-001 for any further clarifications.

b) Members can also update their mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).

c) The remote e-voting period commences on Wednesday, October 28, 2020 (9:00 a.m. IST) and ends on Friday, November 27, 2020 (5:00 p.m. IST).

d) During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date Friday, October 23, 2020 may cast their votes electronically by way of Remote E-voting only. The Remote E-voting module shall be disabled for voting thereafter. Once the vote on the resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

BY ORDER OF NCLT, HYDERABAD BENCH

AUTHORISED SIGNATORY
PRISM JOHNSON LIMITED

Dated : October 27, 2020
Place : Mumbai

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL
BENCH AT HYDERABAD
CA No. 91/230/HDB/2020
IN THE MATTER OF COMPANIES ACT, 2013 (18 OF 2013)
AND
IN THE MATTER OF SECTIONS 230 TO 232 READ WITH SECTION 52 AND ALL OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013
AND
IN THE MATTER OF COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION
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PRISM JOHNSON LIMITED
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(DEMERGED COMPANY 3)
AND
PRISM JOHNSON LIMITED
(RESULTING COMPANY 2 AND AMALGAMATED COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PRISM JOHNSON LIMITED (CIN : L26942TG1992PLC014033) A Company incorporated under the Companies Act, 1956, having its Registered Office at 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500016, India

…………. Applicant Company/Amalgamated Company/Resulting Company 2/Company

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(2), 102 AND 110 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE POSTAL BALLOT NOTICE

1. In this statement TBK Rangoli Tile Bath Kitchen Private Limited is referred to as 'Demerged Company 1', TBK Venkataramiah Tile Bath Kitchen Private Limited is referred to as 'Demerged Company 2', TBK Samiyaz Tile Bath Kitchen Private Limited is referred to as 'Demerged Company 3', H. & R. Johnson (India) TBK Limited is referred to as 'Demerged Company 4', Milano Bathroom Fittings Private Limited is referred to as 'Amalgamating Company 1', Silica Ceramica Private Limited is referred to as 'Amalgamating Company 2' and Prism Johnson Limited is referred to as the 'Amalgamated Company'/'Applicant Company'/'the Company'/'PJL'.

2. The other definitions contained in the Composite Scheme of Arrangement and Amalgamation ('the Scheme') will also apply to this statement under Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ('Explanatory Statement').

3. This is a Statement accompanying the Notice to the Equity Shareholders of the Company.

4. The draft Scheme was placed before the Audit Committee and Board of Directors of the Company at their respective meetings held on October 23, 2019. Thereafter, draft Scheme was submitted to the Stock Exchanges i.e. BSE Limited and NSE Limited. Pursuant to an order dated October 14, 2020 passed by the National Company Law Tribunal, Hyderabad Bench ('Tribunal') in the Company Application No. CA No. 91/230/HDB/2020 referred to hereinabove, this Notice is being sent for the purpose of considering and, if thought fit, approving the arrangement embodied in the Scheme.

5. The consent of secured and unsecured creditors of the Company is being taken separately by way of Postal Ballot through Remote E-voting.

6. Based upon the recommendations of the Audit Committee, the Board of Directors of the Company have come to the conclusion that the Scheme is in the interest of the Company and its shareholders and creditors. A copy of the Scheme, as approved by the Board of Directors of the respective companies and the independent recommendation of the Audit Committee of the Company, is enclosed herewith to this Notice.

7. BACKGROUND OF THE COMPANIES :

(i) Details of the Amalgamated Company :

a. The Amalgamated Company was incorporated on March 26, 1992 under the Companies Act, 1956 under the name and style of 'Karan Cement Limited' as per the Certificate of Incorporation issued by the Registrar of Companies, Hyderabad, and then a fresh Certificate of Incorporation consequent upon Change of Name was issued on September 15, 1994 by the Registrar of Companies, Hyderabad, and the name was changed to 'Prism Cement Limited'. Then again a fresh Certificate of Incorporation consequent upon Change of Name was issued on April 18, 2018 by the Registrar of Companies, Hyderabad and the name was changed to 'Prism Johnson Limited' ('PJL'). The Corporate Identification Number of the PJL is L26942TG1992PLC014033 and PAN is AAACP6224A.

b. PJL is one of India's leading integrated building materials' company, with a wide range of products from cement, ready-mixed concrete, tiles and bathroom products.

c. The equity shares of PJL are listed on BSE Limited ("BSE") & National Stock Exchange of India Limited ("NSE") in India and its non-convertible debentures are listed on BSE. The email id of PJL is investor@prismjohnson.in.

b. The Registered Office of PJL is situated at 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad- 16, Telangana– 500016. There has been no change in the registered office address of PJL since inception.

c. The main objects as set out in its Memorandum of Association which is presently carried out by PJL are as follows :

1. *To produce, manufacture, treat, process, refine, prepare, import, export, outsource, trade, distribute, purchase, sell and generally to deal in either as principal or as agents either solely, in partnership, joint venture or any other arrangements, all kinds of cements (ordinary, white, colored, portland, pozzolona, slag, rapid hardening, high alumina, oil well, special, masonry, lime pozzolona and other variants of cement), cement products of every description (pipes, poles, asbestos, sheet, blocks, tiles, garden wares, plaster of paris and articles, things, compounds and preparations connected thereto), all types of clinkers, ready mixed concrete of all kinds, concrete products, materials used in the manufacture of ready mixed concrete and/or building materials for commercial, industrial, residential or any other type of construction, lime, limestone, gypsum, laterite, kankar and/ or by-products thereof, and in connection therewith; to take on lease or acquire, erect, construct, establish, operate, work and maintain factories, quarries, mines, workshops and other works and establishments and to carry on the trading, outsourcing, distribution, survey, prospecting, proving, development, drilling, blasting, screening, washing, raising, beneficiation, mining in open cast process and/or underground process, extracting, contracting, holding, taking on lease or on royalty basis and/or otherwise acquire mines, mining lease, mining licenses, rights, claims to lime, limestone, gypsum, coal, coke, iron ore, lignite, laterite, fuel, hydrocarbons, all kind of metals, asbestos, all major and minor minerals and activities related thereto.*

2. To establish and carry on any business relating to manufacture, distributing, trading, fabrication, working and erecting cement plant, mixing plant, weighing plant, measuring plant, crushing plant and plant and machinery of every kind of description relating to building material industry, sale of various machineries and their components, spares for the building materials industry and to offer and render consultancy services for technical, managerial, marketing, logistic, and other operations for building materials industry.

3A. To establish and/or carry on the business of manufacturing / producing, distributing, dealing, importing/exporting, trading, outsourcing, treating, processing, refining, purchasing, selling, retailing and generally to deal in either as principal or as agents either solely, in partnership, joint venture or any other arrangements, of tiles of all kinds including ceramic tiles, vitrified tiles, non vitrified tiles, glazed tiles, un-glazed tiles, pavement tiles, industrial tiles, acid *resistant tiles, non ceramic tiles, cement tiles; laminated floors, engineered wood floors; glass mosaic; tile adhesives and grouts, mixers, shutters not of metal and other building materials, (non-metallic rigid pipes for building, asphalt, pitch and bitumen, non-metallic transportable buildings, monuments, not of metal) and other building materials, ceramic products, ceramic stains, ceramic filter discs, mechanical toolings for ceramic industry, pumps, organic/inorganic compounds and allied products and apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes including hobs and hoods (burners and chimney), kitchen ranges, exhaust fans, Instantaneous electric heater, showers, pumped electric showers, power showers, bathroom accessories, bath fittings, bathroom fittings, sanitary wares, kitchen sinks, modular kitchen, kitchen equipments & kitchen cabinets, kitchen accessories, bath tubs, shower panels, shower cubicles, spa bath, saunas, Jacuzzis, steam enclosures (cubicles), taps, mixer taps, faucets, toilets, toilet seats, toilet bowls, urinals, wash basins, water closets, flushing cisterns, jet spray, jet apparatus and parts and including all kind of furniture, fittings and fixtures for all the aforesaid goods and allied products.*

3B. To provide, render, outsource services including building construction; repair; installation services, maintenance, including installation of sanitary ware & bathroom fittings, installation of heating equipments and its repairs, installation of shower cubicles, spa bath, saunas, jacuzzis & steam enclosures, installation of modular kitchen, kitchen equipments & kitchen cabinets, pre laying and laying of tiles and laminated floors, designing and laying of glass mosaics, wallpapering, painting, plumbing.

4. To construct, build, develop, maintain, operate, own and transfer infrastructure facilities including housing, roads, highways, bridges, airports, ports, rail systems, water supply projects, irrigation projects, inland waterways and inland ports, ready-mixed concrete plants and systems, aggregate crushers, water treatment systems, solid waste management systems, sanitation and sewerage systems or any other public facilities of a similar nature; any project for providing telecommunication services; to carry on the business of infrastructure projects, civil contracts, providing infrastructure facilities including land, power, water supply, telecommunication, roads, highways, bridges, airports, ports, jetties, rail system, common social infrastructure and other essential facilities, machinery, plant, equipment, ships, vehicles, aircraft, rolling stock factories, movable and immovable property, to undertake real estate business, to buy, sell, lease, or finance the buying and selling and trading in immovable property, land, building, real estate, factories, to borrow, to lend, to negotiate loans, to transact business as promoters, financiers, monetary agents to carry on the business of a company established with the object of financing industrial enterprises, to invest the capital or other funds of the Company in the purchase or acquisition of or rights in movable and immovable property, to use the capital, funds and assets of the Company as security for borrowing and the acquisition of or rights in movable or immovable property, or shares, stocks, debentures, debenture stock bonds, mortgages, obligation, securities, or to finance their acquisition or leasing or hire purchase, to raise, to provide venture capital, to promote or finance the promotion of Joint Stock Companies, to undertake advisory and counseling *services, to undertake factoring, to purchase the book debts and receivables of companies and to lend or give credit against the same.*

5. *To generate electrical power by conventional, non-conventional methods including coal, gas, pet coke, lignite, oil, bio-mass, waste, thermal, solar, hydel, geo-hydel, wind and tidal waves; to buy or generate for its own use electricity, steam, gas or any other forms and sources of power; to promote, own, acquire, erect, construct, establish, maintain, improve, manage, operate, alter, carry on, control, take on hire/lease power plants, cogeneration power plants, energy conservation project, power-houses, transmission and distribution systems for generation, distribution, transmission and supply of electrical energy and buy, sell, supply, exchange, market, function as licence and deal in electrical power, energy to the State Electricity Board, State Government, Appropriate Authorities, licensees, specific industrial units and other consumers for industrial, commercial, agricultural, household and any other purpose in India and elsewhere· in any area to be specified by the State Government, Central Government, Local Authority, State Electricity Boards and any other competent authority in accordance with the provisions of Indian Electricity Act, 1910 and/or Electricity (Supply) Act, 1948 or any other statute as may be applicable or any statutory modification or re-enactment thereof and rules made thereunder; to establish captive power plants on a co-operative basis for a group of industrial and other consumer and supply power to the participants in the co-operative effort either directly or through the transmission lines of the State Electricity Board or other authorities by entering into appropriate arrangements.*

d. The authorised, issued, subscribed and paid-up share capital of the Company as on June 30, 2020 is as under :

(INR in Lakhs)

Authorised Share Capital	**Amount**
52,50,00,000 Equity shares of Rs.10/- each	52,500.00
Total	**52,500.00**
Issued, subscribed and paid-up Share Capital	**Amount**
50,33,56,580 Equity shares of Rs.10/- each	50,335.66
Total	**50,335.66**

Subsequent to June 30, 2020, there has been no change in the capital structure of PJL.

e. Name of the Promoters, Promoter Group & Directors along with their address :

Details of Promoters

Sr. No.	**Name**	**Address**
1.	Manali Investment And Finance Private Limited	Rahejas, Corner of Main Avenue & V. P. Road, Santacruz West, Mumbai - 400054
2.	Hathway Investments Private	Rahejas, 4th Floor, Main Avenue Santacruz West, Nr Standard Chartered

	Limited	Bank, Mumbai - 400054
3.	Coronet Investments Private Limited	Rahejas, Corner of Main Avenue & V. P. Road, Santacruz West, Mumbai - 400054
4.	Rajan B. Raheja	Rahejas, 1st Floor, Main Avenue Road, Santacruz (W), Mumbai - 400054
5.	Bloomingdale Investment & Finance Private Limited	Rahejas, Corner of Main Avenue & V. P. Road, Santacruz West, Mumbai - 400054
6.	Varahagiri Investment And Finance Private Limited	Rahejas, Corner of Main Avenue & V. P. Road, Santacruz West, Mumbai - 400054
7.	Matsyagandha Investment & Finance Private Limited	Rahejas, 1st Floor, Main Avenue Road, Santacruz (W), Mumbai - 400054

Details of Promoter Group

Sr. No.	**Name**	**Address**
1.	Suman R. Raheja	Rahejas, 1st Floor, Main Avenue Road, Santacruz (W), Mumbai - 400054
2.	Akshay R. Raheja	Rahejas, Corner of Main Avenue & V. P. Road, Santacruz West, Mumbai - 400054
3.	Viren R. Raheja	Rahejas, Corner of Main Avenue & V. P. Road, Santacruz West, Mumbai - 400054
4.	R. Raheja Properties Private Limited	Rahejas, Corner of Main Avenue & V. P. Road, Santacruz West, Mumbai - 400054
5.	Peninsula Estates Private Limited	Rahejas, Corner of Main Avenue & V. P. Road, Santacruz West, Mumbai - 400054
6.	Satish B. Raheja	C/o Kapadia Associates, 910, Raheja Chambers, 213, Nariman Point, Mumbai - 400021

Details of Directors

Sr. No.	**Name & Designation**	**DIN**	**Address**
1.	Mr. Shobhan M. Thakore *Chairman*	00031788	M/s. Talwar Thakore & Associates, 3rd Floor, Kalpataru

			Heritage, 127, M. G. Road, Mumbai - 400 001
2.	Mr. Rajan Raheja *Director*	00037480	“Rahejas”,7th Floor, Main Avenue, V. P. Road, Santacruz (W), Mumbai - 400 054
3.	Mr. Vijay Aggarwal *Managing Director*	00515412	“Rahejas”, 2nd Floor, Main Avenue, V. P. Road, Santacruz (W), Mumbai - 400 054
4.	Mr. Vivek K. Agnihotri *Executive Director & CEO (Cement)*	02986266	“Rahejas”, 2nd floor, Main Avenue, V. P. Road, Santacruz (W), Mumbai - 400 054
5.	Mr. Sarat Chandak *Executive Director & CEO (HRJ)*	06406126	7th Floor, Windsor, CST Road, Kalina, Santacruz (E), Mumbai - 400 098
6.	Mr. Atul Desai *Executive Director & CEO (RMC)*	01918187	7th Floor, Windsor, CST Road, Kalina, Santacruz (E), Mumbai - 400 098
7.	Ms. Ameeta A. Parpia *Director*	02654277	M/s. A. H. Parpia & Co., 203/204, Prabhat Chambers, 2nd Floor, S. V. Road, Khar (W), Mumbai - 400 052
8.	Dr. Raveendra Chittoor *Director*	02115056	“Rahejas”, 2nd Floor, Main Avenue, V. P. Road, Santacruz (W), Mumbai - 400 054

(ii) Details of the Demerged Company 1 :

a. TBK Rangoli Tile Bath Kitchen Private Limited (‘TBK Rangoli’) (CIN : U74120MH2010PTC209550) (PAN : AADCT6327R), is a private company limited by shares incorporated on October 28, 2010 under the provisions of the Companies Act, 1956. There has been no change in the name of TBK Rangoli since its incorporation. TBK Rangoli being a private limited company, its shares are not listed on any stock exchanges.

b. TBK Rangoli is engaged in the business of retail/trading of tiles, bathroom fittings & kitchens. TBK Rangoli is a wholly owned subsidiary of H. & R. Johnson (India) TBK Limited.

c. The Registered Office of TBK Rangoli is situated at Ground Floor, Kaddiya Wadi, Azad Road Near Fire Brigade Station, Vile Parle (East) Mumbai, Maharashtra -400057.

d. The Memorandum of Association of TBK Rangoli has never been altered. The main objects as set out in its Memorandum of Association which is presently carried out by TBK Rangoli is as follows :

1. *To carry on the business of manufacture, sale, purchase, import, export, trade, trade as a franchisee, distributor, dealer, trade online, or otherwise deal in all kinds of tiles, kitchens, kitchenware, articles, fittings & accessories required in kitchens, bathrooms, bathroom fittings, sanitary ware, furniture, furnishings, fixtures, laminates, floor/wall/ceiling coverings, items of clay or any earthenware, china and terra cotta and ceramic wares of all kinds, hardware, electric fittings, electronic gadgets, equipments, appliances, instruments, artifacts, materials other home products and goods generally required for beautification, decoration, improvement, furnishing, repairs and maintenance of premises, houses, buildings and all types of property and real estate, whether residential or commercial or non-commercial and to render all types of services related thereto and to carry on the business of interior and exterior decorator, designers, plumbers, contractors, furnishers, designers, consultants and planners of buildings, landscapes and to undertake the business of dealers and distributors of material required for interior decoration improvement, beautification of residential, commercial and non-commercial premises, houses, buildings and all types of property and real estate and to render all kinds of services, professionally or otherwise, related to building materials including maintenance, repairs, installation and designing, execution of plans related to the same.*

e. The authorised, issued, subscribed and paid-up share capital of TBK Rangoli as on June 30, 2020 is as under :

(INR in Lakhs)

Authorised Share Capital	**Amount**
10,000 equity shares of Rs.10/- each	1.00
Total	**1.00**
Issued, subscribed and paid-up Share Capital	**Amount**
10,000 Equity shares of Rs.10/- each	1.00
Total	**1.00**

Subsequent to June 30, 2020, there has been no change in the capital structure of TBK Rangoli.

f. Name of the Promoters & Directors along with their address :

Details of Promoters

Sr. No.	**Name**	**Address**
1.	H. & R. Johnson (India) TBK Limited	7th Floor, Windsor, CST Road, Kalina, Santacruz (E), Mumbai - 400 098
2.	Mr. Sunil Kumar Sethi	Flat No B 1006 Progressive Celebrity, Plot

		No 71 Sector 15 CBD Belapur, Navi Mumbai 400614, Maharashtra, India

Details of Directors

Sr. No.	Name & Designation	DIN	Address
1.	Mr. Anoop Sreekumar *Director*	03404325	D-204, Rameshwar, Neelkanth Heights, Pokhran Road No. 2, Near Bethany Hospital. Apna Bazar, Thane West - 400610
2.	Mr. Sandeep Kumar Sharma *Director*	06647712	D1, 206 Balaji Skyz, Nipania Gram, Pipliyakumar, Indore - 452010
3.	Mr. Vinod Kumar Garg *Director*	08574952	Flat 901, Building A - 4, Coral Heights, Ghodbunder Road, Opp. Suraj Water Park, Kavesar, Kasarvadavli, Thane - 400615.

(iii) Details of the Demerged Company 2 :

a. TBK Venkataramiah Tile Bath Kitchen Private Limited ("TBK Venkat") (CIN: U26900KA2010PTC056306) (PAN : AADCT6930E), is a private company limited by shares incorporated on December 21, 2010 under the provisions of the Companies Act, 1956. There has been no change in the name of TBK Venkat since its incorporation. TBK Venkat being a private limited company, its shares are not listed on any stock exchanges.

b. TBK Venkat is engaged in the business of retail/trading of tiles, bathroom fittings & kitchens. TBK Venkat is a wholly owned subsidiary of H. & R. Johnson (India) TBK Limited.

c. The Registered Office of TBK Venkat is situated at No. 56 A, Ramamurthy Nagar Main Road, Dodda Banaswadi Opp, New Baldwin Residential School, Bangalore - 560043, Karnataka.

d. The Memorandum of Association of TBK Venkat has never been altered. The main objects as set out in its Memorandum of Association which is presently carried out by TBK Venkat is as follows :

i. *To carry on the business of manufacture, sale, purchase, import, export, trade, trade as a franchisee, distributor, dealer, trade online, or otherwise deal in all kinds of tiles, kitchens, kitchenware, articles, fittings & accessories required in kitchens, bathrooms, bathroom fittings, sanitary ware, furniture, furnishings, fixtures, laminates, floor/wall/ceiling coverings, items of clay or any earthenware, china and terra cotta and ceramic wares of all kinds, hardware, electric fittings, electronic gadgets, equipments, appliances, instruments, artifacts, materials other home products and goods generally required for beautification, decoration,* *improvement, furnishing, repairs and maintenance of premises, houses, buildings and all types of property and real estate, whether residential or commercial or non-commercial and to render all types of services related thereto and to carry on the business of interior and exterior decorator, designers, plumbers, contractors, furnishers, designers, consultants and planners of buildings, landscapes and to undertake the business of dealers and distributors of material required for interior decoration improvement, beautification of residential, commercial and non-commercial premises, houses, buildings and all types of property and real estate and to render all kinds of services, professionally or otherwise, related to building materials including maintenance, repairs, installation and designing, execution of plans related to the same.*

e. The authorised, issued, subscribed and paid-up share capital of TBK Venkat as on June 30, 2020 is as under :

(INR in Lakhs)

Authorised Share Capital	**Amount**
10,000 equity shares of Rs.10/- each	1.00
Total	**1.00**
Issued, subscribed and paid-up Share Capital	**Amount**
10,000 Equity shares of Rs.10/- each	1.00
Total	**1.00**

Subsequent to June 30, 2020, there has been no change in the capital structure of TBK Venkat.

f. Name of the Promoters & Directors along with their address :

Details of Promoters

Sr. No.	**Name**	**Address**
1.	H. & R. Johnson (India) TBK Limited	7th Floor, Windsor, CST Road, Kalina, Santacruz (E), Mumbai - 400 098
2.	Mr. Sunil Kumar Sethi	Flat No. B 1006, Progressive Celebrity, Plot No 71 Sector 15 CBD Belapur, Navi Mumbai - 400614

Details of Directors

Sr. No.	**Name & Designation**	**DIN**	**Address**
1.	Mr. Narsing Rao Joginipally *Director*	03337843	Flat No. 403, 2-2-647/118, Sree Rama Towers, Central Excise Colony, Bagh Amberpet, Hyderabad - 500013, Telangana
2.	Mr. Vinod Kumar Garg	08574952	Flat 901, Building A/4, Coral

	Director		Heights, Ghodbunder Road Opp. Suraj Water Park, Kavesar, Kasarvadavali, Thane - 400615
3.	Mr. Tapas Sensharma *Director*	06364280	B/4, 101, Buddha Dev Vihar, Chitalsar, Manpada, Thane - 400610

(iv) Details of the Demerged Company 3 :

a. TBK Samiyaz Tile Bath Kitchen Private Limited ('TBK Samiyaz') (CIN: U26916MH2007PTC176528) (PAN : AACCT8691B), is a private company limited by shares incorporated on December 6, 2007 under the provisions of the Companies Act, 1956. There has been no change in the name of TBK Samiyaz since its incorporation. TBK Samiyaz being a private limited company, its shares are not listed on any stock exchanges.

b. TBK Samiyaz is engaged in the business of retail/trading of tiles, bathroom fittings & kitchens. TBK Samiyaz is a wholly owned subsidiary of H. & R. Johnson (India) TBK Limited.

c. The Registered Office of TBK Samiyaz is situated at G, 5-10 Ground Floor, Plot no. 6, Savita Raj Complex, Kala Manak Flat Owners Society, CIDCO, New Aurangabad - 431003, Maharashtra.

d. The registered office of TBK Samiyaz and the main objects of the Company have not been changed during the last five years. The main objects as set out in its Memorandum of Association which is presently carried out by the TBK Samiyaz is as follows :

    1. *To manufacture, sale, purchase, import, export, trade, trade as a franchisee, distributor , dealer, trade online, or otherwise deal goods, such as tiles, floor/wall/ceiling coverings, bricks, bathroom fittings, kitchens, kitchenware, sanitary ware, furnitures, fixtures, furnishings, items of clay or any earthenware, pottery, articles china and terra cotta and ceramic wares of all kinds, hardware, electric fittings, electronic gadgets, equipments, appliances, instruments, materials, artifacts or other material and goods generally required for beautification, decoration, repairs and maintenance of premises whether residential or commercial or non-commercial and home products and to deal in all kinds of materials, gadgets, appliances, instruments, equipments and things required for beautification and decoration of premises whether residential or whether commercial or non-commercial and to render services thereto and to carry on the business of interior and exterior decorator, designers, plumbers, contractors, furnishers, designers, consultants and planners of buildings, landscapes and to undertake the business of dealers and distributors of material required for interior decoration of residential, commercial and non- commercial premises and to render services, professionally or otherwise, related to building materials, repairs and installations including designing and of execution of plans related to the same and to provide all kind of services related thereto.*

e. The authorised, issued, subscribed and paid-up share capital of TBK Samiyaz as on June 30, 2020 is as under :

(INR in Lakhs)

Authorised Share Capital	Amount
83,000 equity shares of Rs.10/- each	8.30
Total	**8.30**
Issued, subscribed and paid-up Share Capital	**Amount**
83,000 Equity shares of Rs.10/- each	8.30
Total	**8.30**

Subsequent to June 30, 2020, there has been no change in the capital structure of TBK Samiyaz.

f. Name of the Promoters & Directors along with their address :

Details of Promoters

Sr. No.	Name	Address
1.	H. & R. Johnson (India) TBK Limited	7th Floor, Windsor, CST Road, Kalina, Santacruz (E), Mumbai - 400 098
2.	Mr. Ankit Tripathi	4th Floor, D Wing, Munot Residency, Plot 64-65, Thane Naka, Panvel 410206

Details of Directors

Sr. No.	Name & Designation	DIN	Address
1.	Mr. Anoop Sreekumar *Director*	03404325	D-204, Rameshwar, Neelkanth Heights, Pokhran Road No. 2, Near Bethany Hospital. Apna Bazar, Thane West - 400610
2.	Mr. Vinod Kumar Garg *Director*	08574952	Flat 901, Building A/4, Coral Heights, Ghodbunder Road, Opp Suraj Water Park, Kavesar, Kasarvadavali, Thane - 400615
3.	Mr. Tapas Sensharma *Director*	06364280	B/4, 101, Buddha Dev Vihar, Chitalsar, Manpada, Thane – 400610

(v) Details of the Demerged Company 4 :

a. H. & R. Johnson (India) TBK Limited (‘HRJ TBK’) (CIN: U45200MH1996PLC101892) (PAN: AAACV4081H), is an unlisted public company limited by shares incorporated on August 16, 1996 under the provisions of the Companies Act, 1956. HRJ TBK was original incorporated as ‘Vantage Contractors and Developers Private Limited’. The name was then changed to ‘Milano Bath Luxuries

(India) Private Limited' from 'Vantage Contractors and Developers Private Limited' vide fresh certificate of incorporation consequent to change of name dated January 25, 1999. The name 'Milano Bath Luxuries (India) Private Limited' was changed to 'Bella Casa (India) Private Limited' vide fresh certificate of incorporation consequent upon change of name dated July 18, 2007. Later vide fresh certificate of incorporation consequent upon change of name dated January 9, 2009 the name was changed from 'Bella Casa (India) Private Limited' to 'H. & R. Johnson (India) TBK Private Limited'. H. & R. Johnson (India) TBK Private Limited was converted to public company limited by shares to H. & R. Johnson (India) TBK Limited vide fresh certificate of incorporation on change of name on conversion to public limited company dated February 6, 2009.

b. HRJ TBK is engaged, inter alia, directly/indirectly through its subsidiaries and associates in retail/trading in tiles, bathroom fittings and kitchens & branded tiles display unit. It also provides support services. HRJ TBK is a wholly owned subsidiary of Prism Johnson Limited.

c. The Registered Office of HRJ TBK is situated at Windsor, 7th Floor, CST Road Kalina, Santa Cruz (E) Mumbai - 400098.

d. The Memorandum of Association of HRJ TBK was altered by passing of shareholder resolution dated March 31, 2017 to insert clause 1E in the main object of the Company, however, the main business of the Company has not been changed since five years. The main objects as set out in its Memorandum of Association which is presently carried out by the HRJ TBK are as follows :

1. *To carry on business as builders, civil and structural engineers, supervisors, surveyors, owners, contractors, architects, estate agents and developers of the dealers inland, soil, plots, buildings, houses, bunglows, industrial complexes, godowns, hospitals, hotel, factories and also to offer all types of building complexes, properties, townships and civil projects and development on turn-key basis in India and abroad.*

1A. *To manufacture, sale, purchase, import, export, trade, trade as a franchisee, distributor , dealer, trade online, or otherwise deal in all types of goods, including tiles, floor/wall/ceiling coverings, bricks, bathroom fittings, kitchens, kitchenware, sanitary ware, furnitures, fixtures, furnishings, items of clay or any earthenware, pottery, articles china and terra cotta and ceramic wares of all kinds, hardware, electric fittings, electronic gadgets, equipments, appliances, instruments, materials, artefacts or other material and goods generally required for beautification, decoration, repairs and maintenance of premises whether residential or commercial or non-commercial and home products and render services related thereto.*

1B. *To render services, professionally or otherwise, related to building materials, constructions, repairs and installations including designing and execution of plans related to the same.*

1C. *To carry on the business of interior and exterior decorator, designers, plumbers, construction contractors, furnishers, designers, consultants and* *planners of buildings, landscapes and to undertake the business of dealers and distributors of material required for interior decoration of residential, commercial and non- commercial premises and to provide all kind of services related thereto.*

1D. *To deal in all kinds of materials, gadgets, appliances, instruments, equipments and things required for beautification and decoration of premises whether residential or whether commercial or non-commercial.*

1E. *To carry on the business of mining activities in all its branches and to buy, sell & deal in mining rights, to search, win, get quarry, explore, extract, reduct, smelt, calcine, refine, dress, amalgamate, manipulate and prepare for market ferrous and non-ferrous metal, ore, quartz, metal and mineral substance of all kinds including oil and to carry on any other prospecting, mining and metallurgical operation and to work mines or quarries and to search frame, getwork, process clacing, raise, couch smelt, manufacture, make, merchantable, sell or otherwise deal in iron, coal, coat tar, stone, cement, lime, lime stone, chalk, clay bauxite, soapstone, ores, metals, mineral oils precious and other stones, deposits, product and all other kinds of bye products thereof.*

e. The authorised, issued, subscribed and paid-up share capital of HRJ TBK as on June 30, 2020 is as under :

(INR in Lakhs)

Authorised Share Capital	**Amount**
5,00,000 Equity shares of Rs.100/- each	500.00
Total	**500.00**
Issued, subscribed and paid-up Share Capital	**Amount**
1,61,020 Equity shares of Rs.100/- each	161.02
Total	**161.02**

Subsequent to June 30, 2020, there has been no change in the capital structure of HRJ TBK.

f. Name of the Promoters & Directors along with their address :

Details of Promoters

Sr. No.	**Name**	**Address**
1.	Prism Johnson Limited	305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500 016
2.	Mr. Sunil Kumar Sethi	Flat No B 1006 Progressive Celebrity, Plot No 71 Sector 15 CBD Belapur, Navi Mumbai - 400614
3.	Mr. Aaditya Mahadik	161/5008, Kannamwar Nagar – 1, Vikhroli East, Mumbai - 400083

4.	Mr. Tapas Sensharma	B/4, 101, Buddha Dev Vihar, Chitalsar, Manpada, Thane - 400610,
5.	Mr. Pankaj Sharma	B 107 Chandivali Studio Sunrise Bldg. Raheja Vihar Powai, Sakinaka Mumbai - 400072
6.	Mr. Ankit Tripathi	4th Floor, D Wing, Munot Residency, Plot 64-65, Thane Naka, Panvel -410206
7.	Mr. Vipin Lodha	Flat No. 44, Building no.1, Vijay Annex, Ghodbunder Road, Thane West - 400607

Details of Directors

Sr. No.	Name & Designation	DIN	Address
1.	Mr. Arun Kumar Agarwal *Director*	06404309	B – 303, Eva Rodas Enclave, Hiranandani Estate, Ghodbunder Road, Patlipada, Thane West - 400607
2.	Mr. Dinesh Vyas *Director*	02550960	A-11/102, Prakruti Palms CHS, Brahmand PH 7 off Ghodbunder Rd, Thane - 400607
3.	Mr. Tapas Sensharma *Additional Director*	06364280	B/4, 101, Buddha Dev Vihar, Chitalsar, Manpada, Thane - 400610

(vi) Details of the Amalgamating Company 1 :

a. Milano Bathroom Fittings Private Limited (‘Milano’) (CIN: U28994HP2000PTC006251) (PAN : AAFCS5482A), is a private company limited by shares incorporated on March 8, 2000 under the provisions of the Companies Act, 1956 in the name and style of ‘Sri Venkateswara Udyog Private Limited’ and then via fresh certificate of incorporation consequent upon change of name the name was changed to ‘Milano Bathroom Fittings Private Limited’ with effect from 26th April, 2007. Milano being a private limited company, its shares are not listed on any stock exchanges.

b. Milano is engaged in the business of manufacturing of taps and fittings. Milano is a wholly owned subsidiary of Prism Johnson Limited.

c. The Registered Office of Milano is situated at Plot No. 30, Industrial Township Phase 4, Himuda, Bhatoli Kalan, Baddi Solan - 173205, Himachal Pradesh.

The registered office of Milano was changed from “257/3 Village Sarangpur, Chandigarh - 160014” to “SCO 40, Second Floor, Sector -31D, Cabin No. 1A, Chandigarh 160030” within the Union Territory of Chandigarh with effect from 1st November, 2015. Later the registered office of Milano was shifted from “SCO 40, Second Floor, Sector 31 – D, Cabin No. 1A, Chandigarh – 160030” to present address at “Plot No : 30 , Industrial Township , Phase -4 , HIMUDA, Bhatoli Kalan, Baddi Solan, Himachal Pradesh – 173 205” confirmed by an order of Regional Director bearing the date 6th April, 2016 and registered vide certificate of registration of regional director order for change of state dated 20th June, 2016.

d. The object clause of Memorandum of Association of Milano has not been altered and the main business of the Company has not been changed since five years. The main objects as set out in its Memorandum of Association which are presently carried out by Milano are as follows :

1. To assemble, manufacture, pack, prepare, import, export, purchase, buy, sell and generally deal in all kinds of faucets, sanitary fittings, Brassware, Hardwares such as brass fittings, steel fittings, plastic fittings, iron fittings, packing material, card/wooden boxes, powder coated fittings, of any other metal, tiles, ceramicware, glass and wood, glass-ware, insulators, cement and cement products, gypsum, building materials, plastic and plasticware polymerite, solid vinalware, adhesives, firebricks, terracotta, lime, limestone, granite stone, Marble slabs, fibre glass and fibre glassware, refractories, hospitalware, gardenwares.

2. To manufacture, trade, deal, buy ,sell, import, export, in all kinds of Sanitary pipes, drainage pipes, water storage tanks, water filters, whether domestic or industrial, underground sewerage systems, mainholes, mainhole covers, sprinculars whether metallic, non metallic or otherwise. To act as traders, dealers, packers, distributors, stockists, Agents, representatives of any other firm, company or organization who are carrying on the business incidental to which the company is authorized to do.

3. To trade, import, export, repair and install all types of appliances whether electrical, electronic or otherwise household gadgets including fans, blowers, vaccume cleaners, washing machines, exhaust fans, room coolers, air conditioners, mixers, juicers, convectors and televisions. To manufacture, fabricate, machine, finish and process electrical switch gears, starters, micro-switches, Bakelite switches, adopters, transformers, stabilizers, control panels of various types.

e. The authorised, issued, subscribed and paid-up share capital of Milano as on June 30, 2020 is as under :

(INR in Lakhs)

Authorised Share Capital	**Amount**
73,000 equity shares of Rs.100/- each	73.00
3,87,500 Preference shares of Rs. 100/- each	387.50
Total	**460.50**
Issued, subscribed and paid-up Share Capital	**Amount**
72,446 Equity shares of Rs.100/- each	72.45
2,00,000 Preference Shares of Rs.100/- each	200.00
Total	**272.45**

Subsequent to June 30, 2020, there has been no change in the capital structure of Milano.

f. Name of the Promoters & Directors along with their address :

Details of Promoters

Sr. No.	Name	Address
1.	Prism Johnson Limited	305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500 016
2.	Mr. Sunil Kumar Sethi	Flat No. B / 1006 Progressive Celebrity, Plot No 71 Sector 15 CBD Belapur, Navi Mumbai - 400614

Details of Directors

Sr. No.	Name & Designation	DIN	Address
1.	Mr. Manish Bhatia Director	00748640	Flat 401/402, Richoux Building, Chimbai Road, Bandra West, Mumbai - 400050
2.	Mr. Pankaj Sharma Director	07457710	B 107 Chandivali Studio Sunrise Bldg. Raheja Vihar Powai, Sakinaka, Mumbai - 400078
3.	Mr. Prabir Kumar Ray Director	07457936	Flat no 505, Indra Darshan, Building no.19, Lokhandwala, Oshiwara, Andheri West, Mumbai - 400053

(vii) Details of the Amalgamating Company 2 :

a. Silica Ceramica Private Limited (‘Silica’) (CIN: U26933AP2006PTC051977) (PAN : AAKCS8463N), is a private company limited by shares incorporated on December 12, 2006 under the provisions of the Companies Act, 1956. There has been no change in the name of Silica since its incorporation. Silica being a private limited company, its shares are not listed on any stock exchanges.

b. Silica is engaged in the business of manufacturing of ceramic vitrified tiles and glazed vitrified tiles. Silica is a wholly owned subsidiary of Prism Johnson Limited.

c. The Registered Office of Silica is situated at Narayanapuram Unguturu Mandal Narayanapuram - 534407, Andhra Pradesh.

d. The object clause of Memorandum of Association of Silica was altered vide special resolution dated 14^{th} October, 2019 to insert clause no. 21 and 22 in ‘THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF MAIN OBJECTS’ and to renumber former clause 21 to clause 23, however, the main business of the Company has not been changed since five years. The main objects as set out in its Memorandum of Association which are presently carried out by Silica are as follows :

1. *To establish and carry on the business of manufacturing, designing, fabricating, refining, treating, processing, buying, selling, importing, exporting and otherwise dealing in all kinds of tiles, ceramic wares, porcelain, earthen ware, stone ware, sanitary ware, insulators, fire bricks, fire clay and other minerals and any other products similar to and required for the aforesaid products.*

2. *To carry on the business as manufacturers, processors, dealers, distributors, importers and exporters, designers, developers, of earth ware, china fire clay, drain and water pipes, hallow and solid products for partitions and load bearing walls, ceiling blocks and roof bricks and all allied bricks, tiles, terracotta, sanitary ware, plain and art stone ware, glass color and glazes.*

3. *To carry on the business of manufacturers of and dealers in materials, articles or goods made or composed wholly or partly of cement, concrete products, lime, clay, gravel, sand, minerals, earth, coke, fuel, china, terracotta and ceramic ware of all kinds.*

e. The authorised, issued, subscribed and paid-up share capital of Silica as on June 30, 2020 is as under :

(INR in Lakhs)

Authorised Share Capital	**Amount**
12,16,10,000 equity shares of Rs.10/- each	12,161.00
Total	**12,161.00**
Issued, subscribed and paid-up Share Capital	**Amount**
12,16,08,283 Equity shares of Rs.10/- each	12,160.83
Total	**12,160.83**

Subsequent to June 30, 2020, there has been no change in the capital structure of Silica.

f. Name of the Promoters & Directors along with their address :

Details of Promoters

Sr. No.	**Name**	**Address**
1.	Prism Johnson Limited	305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500 016
2.	Mr. Sunil Kumar Sethi	Flat No. B / 1006 Progressive Celebrity, Plot No 71 Sector 15 CBD Belapur, Navi Mumbai - 400614

Details of Directors

Sr. No.	Name & Designation	DIN	Address
1.	Mr. Sunil Kumar Sethi Executive Director & CEO	06442737	Flat No B/ 1006, Progressive Celebrity, Plot No. 71, Sector 15, CBD Belapur, Navi Mumbai 400614 Maharashtra, India
2.	Mr. Prem Narayan Trivedi Nominee Director	00535201	2B/1109, Brindaban, Poonam Nagar, Off Mahakali Caves Road, Andheri (E), Mumbai, 400093, Maharashtra, India
3.	Mr. Rajnish Sacheti Nominee Director	00535231	2/701, Garden Estate, Off. Glady Alwares Road, Pokhran Road No. 2, Thane, 400601, Maharashtra, India
4.	Mr. Veerabhadra Rao Geesala Nominee Director	00971755	Door no. 68-1-26B, Ashok Nagar, Kakinada, 533003, Andhra Pradesh, India
5.	Mrs. Kalpana Kaviraj Director	07163512	2B/1009, Brindaban CHS, Poonam Nagar, Off Mahakali Caves Road, Andheri (East), Mumbai, 400093, Maharashtra, India

8. Relationship subsisting between the Companies

The Amalgamating Company 1 & 2, Demerged Companies - 1 to 4 and the Amlagamated Company are considered as Related Party under Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 due to the following reason :

a. The Demerged Companies 1 to 3 are wholly owned subsidiaries of Demerged Company 4.

b. The Demerged Company 4 and Amalgamating Companies 1 & 2 are wholly owned subsidiaries of the Amalgamated Company

9. Salient Features of the Scheme

The key salient features of the Scheme are as follows :

(i) Demerger of retail/trading business undertakings of TBK Rangoli Tile Bath Kitchen Private Limited (‘Demerged Company 1’), TBK Venkataramiah Tile Bath Kitchen Private Limited (‘Demerged Company 2’) and TBK Samiyaz Tile Bath Kitchen Private Limited (‘Demerged Company 3’), into its holding company H. & R. Johnson (India) TBK Limited (‘Demerged Company 4’) and subsequent demerger of retail/trading business undertaking of ‘Demerged Company 4’ into the Company (‘Amalgamated Company’) and reduction of share capital of Silica Ceramica Private Limited (‘Amalgamating Company 2’) and subsequent amalgamation of Milano Bathroom Fittings Private Limited (‘Amalgamating Company 1’) and Silica Ceramica Private

Limited (‘A(‘Amalgamating Company 2’), into the Amalgamated Company and their respective shareholders and creditors.

(ii) The Scheme shall be operative from the Appointed Date, i.e., 1st day of April, 2018.

(iii) The Effective Date of the Scheme shall be the date on which the certified copy of the order sanctioning this Scheme, passed by the National Company Law Tribunal at Hyderabad is filed with the Registrar of Companies, Hyderabad by the Applicant Company.

(iv) The demerger of the Demerged Company 1 to 3 with the Resulting Company 1 and the demerger of the Demerged Company 4 and amalgamation of Amalgamating Company 1 & 2 as a going concern basis into/ with the Amalgamated Company shall be in accordance with the applicable provisions of the Companies Act, 2013.

(v) With effect from the Appointed Date,

a. the Undertakings of Demerged Company 1 to 3 together with all their business and operations including all their assets and liabilities, which is defined more specifically in the Scheme, shall without any further act, instrument, deed or order to be transferred to and be vested with the Demerged Company 4 as a going concern basis.

b. the Undertakings of Demerged Company 4 and Amalgamating Companies 1 & 2 together with all their business and operations including all their assets and liabilities, which is defined more specifically in the Scheme, shall without any further act, instrument, deed or order to be transferred to and be vested with the Amalgamated Company as a going concern basis.

(vi) Upon the Scheme coming into effect, all the employees of Demerged Company 1 to 4 who are exclusively part of the demerged undertakings and all the employees of the Amalgamating Company 1 & 2 and those employees as the board of directors may determine shall stand transferred to the Amalgamated Company on Effective Date on terms and conditions, which as a result, shall not be less favourable than the terms and conditions of employment offered by the demerged companies and Amalgamating Company 1 & 2 (including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and/or any other retirement benefits) to the Amalgamated Company as on the said date.

(vii) Upon coming into effect of this Scheme

a. all legal (whether civil or criminal), taxation or other proceedings or investigations of whatsoever nature (including those before any Governmental Authority) initiated by or against Demerged Company 1 to 4 or proceedings or investigations to which Demerged Company 1 to 4 is party to, that pertain to demerged undertaking, whether pending/ongoing as on the Effective Date or which may be instituted any time in the future be enforced by or against the Amalgamated Company as effectually as if the same had been pending and/or arising by or against the Amalgamated Company.

b. all suits, claims, actions and proceedings by or against the Amalgamating Company 1 & 2 pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Amalgamated Company as effectually as if the same had been pending and/or arising by or against the Amalgamated Company.

(viii) All the contracts, agreements, deeds or any arrangement to which Demerged Company 1 to 4 is party to, that pertain to demerged undertaking and the Amalgamating Company 1 & 2 is a party shall remain in full force and effect against or in favour of the Amalgamated Company.

(xii) The Amalgamating Company 1 & 2 shall be dissolved without winding up, due to the operation of the Scheme.

10. Rationale of the Scheme :

The Scheme is expected to enable better realisation of potential of the businesses and yield beneficial results and enhanced value creation for the companies which are parties to this Scheme, their respective shareholders, lenders, employees and other stakeholders. The Scheme is proposed with a view to achieve the following benefits:

(a) the proposed Scheme would result in elimination of multiple operating companies' structure of Amalgamated Company and thereby would result in consolidation of retail/trading business of certain wholly owned subsidiaries and step-down subsidiaries of Amalgamated Company into a single entity, i.e. Prism Johnson Limited ('PJL');

(b) the proposed Scheme would result in simplification of operating structure under common management which would lead to elimination of duplicative communication and coordination efforts across multiple entities;

(c) the consolidation of business would lead to better, efficient and economical cost management, cost savings, pooling of resources, optimum utilisation of resources, rationalisation of administrative expenses/services;

(d) the consolidation of business would lead to synergies in operational process and logistics alignment, creating better synergy, better utilisation of human resources and further development and growth of business via a single entity, PJL;

(e) the single entity i.e. PJL would have increased capability for offering products and services by virtue of its enhanced resource base and deeper client relationship, resulting better business potential and prospects for the entity.

(f) the proposed Scheme would help PJL in sharpening its competitiveness and development of long term internal and core competencies through cost savings and benefit of economies of scale unlocked to PJL.

(g) the proposed Scheme will augment the manufacturing footprint and capabilities of PJL, by increasing the scale of manufacturing operations and bettering capacity utilisation of PJL, thereby helping in rationalising the number of vendors, aggregating the purchases and managing the supply chain more effectively and efficiently.

(h) the proposed Scheme for consolidation of retail/trading business will also simplify the forward supply chain and management of customers and bring better sales and marketing synergies.

(i) thus, the Scheme, as envisaged, is in the interest of the shareholders, creditors, employees, and other stakeholders of each of the companies by pursuing a focused business approach under a single entity, thereby resulting in overall maximization of value creation of all the stakeholders involved.

The aforesaid are the salient features of the Scheme. You are requested to read the entire text of the Scheme, annexed herewith, to get fully acquainted with the provisions thereof.

Kindly also note that on October 23, 2019, the Board of Directors of the Company approved the Scheme whereby the Hon'ble National Company Law Tribunal has jurisdiction to sanction or reject the Scheme under Section 230-232 of the Companies Act, 2013.

11. BOARD APPROVALS

The Board of Directors of the Amalgamated Company, the Demerged Company 1 to 4 and the Amalgamating Company 1 & 2 at their Board Meetings held on October 23, 2019 had unanimously approved the proposed Composite Scheme of Arrangement & Amalgamation. A copy of the Scheme setting out in detail the terms and conditions of the arrangement that has been approved by Board of Directors of the Amalgamated Company, the Demerged Company 1 to 4 and the Amalgamating Company 1 & 2 at their respective Board Meetings is annexed to this Notice as **Annexure 1** and forms part of this Statement.

Names of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate in such resolution passed at the meeting of the Board of Directors :

Prism Johnson Limited - Amalgamated Company

Sr. No.	Name	For	Against	Abstained
1.	Mr. Shobhan M. Thakore	✓	-	-
2.	Mr. Rajan Raheja	✓	-	-
3.	Mr. Vijay Aggarwal	✓	-	-
4.	Mr. Vivek K. Agnihotri	✓	-	-

5.	Mr. Sarat Chandak	✓	-	-
6.	Mr. Atul Desai	✓	-	-
7.	Ms. Ameeta A. Parpia	✓	-	-
8.	Dr. Raveendra Chittoor	✓	-	-

TBK Rangoli Tile Bath Kitchen Private Limited - Demerged Company 1

Sr. No.	Name	For	Against	Abstained
1.	Mr. Anoop Sreekumar	✓	-	-
2.	Mr. Sandeep Kumar Sharma	✓	-	-

TBK Venkataramiah Tile Bath Kitchen Private Limited - Demerged Company 2

Sr. No.	Name	For	Against	Abstained
1.	Mr. Narsing Rao Joginipally	✓	-	-
2.	Mr. Vinod Kumar Garg	✓	-	-

TBK Samiyaz Tile Bath Kitchen Private Limited - Demerged Company 3

Sr. No.	Name	For	Against	Abstained
1.	Mr. Anoop Sreekumar	✓	-	-
2.	Mr. Vinod Kumar Garg	✓	-	-

H. & R. Johnson (India) TBK Limited - Demerged Company 4

Sr. No.	Name	For	Against	Abstained
1.	Mr. Arun Kumar Agarwal	✓	-	-
2.	Mr. Dinesh Vyas	✓	-	-
3.	Mrs. Jagruti Shah	✓	-	-

Milano Bathroom Fittings Private Limited - Amalgamating Company 1

Sr. No.	Name	For	Against	Abstained

1.	Mr. Manish Bhatia	✓	-	-
2.	Mr. Pankaj Sharma	✓	-	-
3.	Mr. Prabir Kumar Ray	✓	-	-

Silica Ceramica Private Limited - Amalgamating Company 2

Sr. No.	Name	For	Against	Abstained
1.	Mr. Prem Narayan Trivedi	✓	-	-
2.	Mr. S. P. Rajendran	Absent	-	-
3.	Mr. Veerabhadra Rao Geesala	Absent	-	-
4.	Mr.Rajnish Sacheti	✓	-	-
5.	Mrs. Kalpana Kaviraj	✓	-	-
6.	Mrs. Sajitha Kurup	Absent	-	-

13. Amount due to unsecured creditors as on June 30, 2020

Sr. No.	Name of the Company	Amount - Rs. Crores
1.	Prism Johnson Limited - Amalgamated Company	1584.45
2.	TBK Rangoli Tile Bath Kitchen Private Limited - Demerged Company 1	2.65
3.	TBK Venkataramiah Tile Bath Kitchen Private Limited - Demerged Company 2	2.09
4.	TBK Samiyaz Tile Bath Kitchen Private Limited - Demerged Company 3	0.90
5.	H. & R. Johnson (India) TBK Limited - Demerged Company 4	5.02
6.	Milano Bathroom Fittings Private Limited - Amalgamating Company 1	0.21
7.	Silica Ceramica Private Limited - Amalgamating Company 2	61.43

Out of the aforesaid unsecured creditors, the unsecured creditors of all companies, except Amalgamated Company, constituting more than 90% of the total value of the debt have given their consent by way of individual affidavits to the Scheme stating that they aware of the Composite Scheme of Arrangement & Amalgamation and that they do not have any objection to the proposed Scheme. The Hon'ble Tribunal vide its order dated 14th day of October, 2020, was pleased to dispense with the requirement of convening the meeting of the unsecured creditors of the aforesaid companies, except PJL, since the 90% of the unsecured creditors have furnished their written consent to the Scheme.

Amount due to Secured Creditors as on June 30, 2020

Sr. No.	Name of the Company	Amount - Rs. Crores
1.	Prism Johnson Limited - Amalgamated Company	1237.89
2.	TBK Rangoli Tile Bath Kitchen Private Limited - Demerged Company 1	-
3.	TBK Venkataramiah Tile Bath Kitchen Private Limited - Demerged Company 2	-
4.	TBK Samiyaz Tile Bath Kitchen Private Limited - Demerged Company 3	-
5.	H. & R. Johnson (India) TBK Limited - Demerged Company 4	-
6.	Milano Bathroom Fittings Private Limited - Amalgamating Company 1	0.19
7.	Silica Ceramica Private Limited - Amalgamating Company 2	151.21

Out of the aforesaid secured creditors, the secured creditors of all companies, except Amalgamated Company, constituting more than 90% of the total value of the debt have given their consent by way of individual affidavits to the Scheme stating that they aware of the Composite Scheme of Arrangement & Amalgamation and that they do not have any objection to the proposed Scheme. The Hon'ble Tribunal vide its order dated 14th day of October, 2020, was pleased to dispense with the requirement of convening the meeting of the secured creditors of the aforesaid companies, except PJL, since the 90% of the secured creditors have furnished their written consent to the Scheme.

14. PRE AND POST SCHEME CAPITAL STRUCTURE

a. As the entire share capital of Demerged Company 1 to 3 is held by Demerged Company 4 along with its nominees, it is expressly understood that, upon this Scheme becoming effective, there will be no issue and allotment of any securities by Demerged Company 4 in respect of demerger of demerged undertakings of Demerged Company 1 to 3. Further, there may be reduction in the value of investment held by Demerged Company 4 in Demerged Company 1 to 3.

b. As the entire paid up share capital of Amalgamating Company 1 & 2 are held by Amalgamated Company along with its nominees, it is expressly understood that, upon this Scheme becoming effective, there will be no issue and allotment of any securities by Amalgamated Company in respect of amalgamation. Consequently, the investment of Amalgamated Company in entire paid-up share capital of the Amalgamating Company 1 & 2 shall stand cancelled in the books of Amalgamated Company, pursuant to amalgamation.

16. DETAILS OF DEBT RESTRUCTURING

The Scheme does not involve any debt restructuring and therefore the requirement to disclose details of debt restructuring is not applicable.

17. EFFECTS OF THE SCHEME ON VARIOUS PARTIES

1. Directors & Key Managerial Personnel (KMPs)

The directors or KMPs of the respective companies or their relatives involved in the Scheme may be affected only to the extent of their shareholding, if any, in the respective companies or to the extent that the said directors/KMP are the directors, partners, members of the companies, firms, bodies corporate and/or beneficiary of trust that holds shares in Demerged Company 1 to 4 and Amalgamating Company 1 & 2 and Amalgamated Company, if any. Further, none of the directors, key managerial personnel and/or relatives of the directors / KMPs of the respective companies involved in the Scheme is concerned or interested, financially or otherwise, in the proposed Scheme. The directors and KMPs of the Amalgamating Company 1 & 2 shall cease to be directors and/or KMP consequent to dissolution of Amalgamating Company 1 & 2 upon the Scheme being effective.

2. Promoter and Non-Promoter Shareholders

Since the Demerged Company 1 to 4 and Amalgamating Company 1 & 2 are direct/indirect wholly owned subsidiaries of the Amalgamated Company, there is no consideration, either in the form of cash or by way of issue of shares, involved pursuant to the Scheme and accordingly no shares will be issued by the Amalgamated Company pursuant to the Scheme to any person or entity. Therefore, there will be no change in the capital structure of the Amalgamated Company and the number of shares and the shareholding pattern of the Amalgamated Company before and after the amalgamation shall remain intact. The shareholding of the Amalgamated Company (and its nominees) in the Amalgamating Company 1 & 2 shall stand cancelled against and to the extent of the investments held by the Amalgamated Company in the Amalgamating Company 1 & 2 upon the approval of the Scheme.

3. Employees

No rights of the staff and employees of the Amalgamated Company are being affected. The services of the employees of the Amalgamated Company shall continue on the same terms and conditions on which they were engaged with the Amalgamated Company. All the employees of Demerged Company 1 to 4 who are exclusively part of the demerged undertakings and all the employees of the Amalgamating Company 1 & 2 and those employees as the board of directors may determine shall stand transferred to the Amalgamated Company on Effective Date on terms and conditions, which as a result, shall not be less favourable than the terms and conditions of employment offered by the Demerged Company 1 to 4 and Amalgamating Company 1 & 2 (including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and/or any other retirement benefits) to the Amalgamated Company as on the said date.

4. **Creditors**

The Scheme is expected to be in the best interest of the creditors of the Amalgamated Company and the Demerged Company 1 to 4 (with relation to the demerged undertaking) and Amalgamating Company 1 & 2. Under the Scheme, there is no arrangement proposed either with the creditors of the Amalgamated Company or with the creditors of any of the Demerged Company 1 to 4 (with relation to the demerged undertaking) and Amalgamating Company 1 & 2. No compromise is offered under the Scheme to any of the creditors of the Amalgamated Company or of the Demerged Company 1 to 4 (with relation to the demerged undertaking) and Amalgamating Company 1 & 2. The liability of the creditors of the Amalgamated Company and the Demerged Company 1 to 4 (with relation to the demerged undertaking) and Amalgamating Company 1 & 2, under the Scheme, is neither being reduced nor being extinguished. The rights and interests of creditors of the Amalgamated Company or Demerged Company 1 to 4 (with relation to the demerged undertaking) and Amalgamating Company 1 & 2 will not be prejudicially affected by the Scheme as no sacrifice or waiver is, at all called from them nor their rights sought to be modified in any manner and all the creditors of the Demerged (with relation to the Demerged Undertaking) and Amalgamating Companies will become the Creditors of the Amalgamated Company and post the Scheme, the Amalgamated Company will be able to meet its liabilities as they arise in the ordinary course of business. The financial position of the Amalgamated Company will not be adversely affected by the Scheme.

5. **Depositors**

As on June 30, 2020, the Amalgamated Company has outstanding unclaimed public deposits of Rs. 0.57 Crores. There will be no adverse effect of the Scheme on any such public depositor. As on June 30, 2020, neither the Demerged or Amalgamating Companies have any outstanding public deposits and therefore the effect of the Scheme on any such depositors does not arise.

6. **Debenture holders & debenture trustee**

As on June 30, 2020, the Amalgamated Company has outstanding Non-convertible Debentures of Rs. 499 Crores and the Amalgamating Company 2 has outstanding Non-convertible Debentures of Rs. 50 Crores. The Non-convertible Debentures of the Amalgamating Company 2 will be transferred without any further action to the Amalgamated Company. There will be no adverse effect of the Scheme on any such debenture holders and debenture trustee.

18. NO INVESTIGATION PROCEEDINGS

There are no investigation proceedings under the provisions of Chapter XIV of the Companies Act, 2013 and no winding up proceedings instituted and / or pending against the Demerged or Amalgamating Companies and / or the Amalgamated Company.

19. DETAILS OF APPROVAL FROM REGULATORY AUTHORITIES :

a. The Amalgamated Company's equity shares are listed and traded on the BSE Limited ('BSE') bearing ISIN: INE010A01011 & Scrip Code: 500338 and on the National Stock Exchange of India Limited ('NSE') bearing Symbol: PRSMJOHNSN. Since the present Scheme solely provides for demerger/amalgamation of the wholly owned subsidiaries with its parent company, no formal approval, is required from the Stock Exchanges or Securities and Exchange Board of India ('SEBI') for the Scheme, in terms of provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2017, and SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, and Circular No. CFD/DIL3/CIR/2018/2 dated January 03, 2018 and applicable provisions, if any. In terms of the SEBI Regulations, the present Composite Scheme of Arrangement & Amalgamation is only required to be filed with BSE and NSE (the Stock Exchanges where the Amalgamated Company is listed) for the purpose of disclosure and dissemination on its website. The Amalgamated Company has already filed the Scheme with the Stock Exchange on December 3, 2019.

b. The securities of the Demerged Companies 1 to 4 and Amalgamating Companies 1 & 2 are not listed on any Stock Exchange and hence the question of approval from Stock Exchanges does not arise.

c. The Demerged Companies 1 to 4, Amalgamating Companies 1 & 2 and the Amalgamated Company have jointly pursuant to order of National Company Law Tribunal, Principal Bench dated December 6, 2019 made an application before National Company Law Tribunal, Hyderabad Bench for the sanction of the Scheme under applicable provisions of the Companies Act, 2013.

d. A copy of the Scheme along with the necessary statement under Section 230 read with Rules 6 and 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, is also being forwarded to the Registrar of Companies and other regulatory authorities, in terms of the order dated October 14, 2020 of the Hyderabad Bench of the National Company Law Tribunal.

f. The Scheme is pending for approval of the shareholders, regulatory authorities and the National Company Law Tribunal, Hyderabad bench. A copy of the resolution passed by the Board of Directors of the Company where Scheme has been approved, is filed by the Demerged Companies 1 to 4, Amalgamating Companies 1 & 2 and the Amalgamated Company with the Registrar of Companies. Further, the copy of the Scheme will be duly filed by the Amalgamated Company with the Registrar of Companies.

20. INSPECTION

The following documents will be available for inspection for the shareholders of Amalgamated Company on the website of the Company :

a. Copy of the Order of the Hon'ble National Company Law Tribunal, Principal Bench, at New Delhi dated December 6, 2019 passed in the Company Application No. CA-2737(PB)/2019 directing filing of Joint company scheme application by all companies involved in scheme with National Company Law Tribunal, Hyderabad Bench;

b. Copy of the Order of the Hon'ble National Company Law Tribunal, Bench, at Hyderabad dated October 14, 2020 passed in the Company Application No. CA No. 91/230/HDB/2020 directing obtaining of consent of the Equity Shareholders of the Amalgamated Company by Postal Ballot through Remote E-voting;

c. Copy of the Company Application No. CA No. 91/230/HDB/2020;

d. Memorandum and Articles of Association of the Demerged Companies 1 to 4, Amalgamating Companies 1 & 2 and the Amalgamated Company;

e. Copies of the Audited Financial Statements of Demerged Companies 1 to 4, Amalgamating Companies 1 & 2 and the Amalgamated Company for the previous three financial years ending March 31, 2018, March 31, 2019 and March 31, 2020

f. Copy of the Scheme of Amalgamation of Demerged Companies 1 to 4, Amalgamating Companies 1 & 2 and the Amalgamated Company and their respective shareholders and creditors.

g. Certificate dated October 23, 2019 issued by Statutory Auditor of the Amalgamated Company in relation to the Accounting treatment prescribed in the Scheme is in compliance with the Accounting Standards;

h. Reports adopted by the Board of Directors of Demerged Companies 1 to 4, Amalgamating Companies 1 & 2 and the Amalgamated Company pursuant to the provisions of Section 232 (2)(c) of the Companies Act, 2013.

21. The Equity shareholders of the Applicant Company may vote through remote E-voting as specifically provided for in the above Notice.

22. This statement may be treated as an Explanatory Statement under Section 230(3) of the Companies Act, 2013 read with Section 102 of the Companies Act, 2013.

BY ORDER OF NCLT, HYDERABAD BENCH

AUTHORISED SIGNATORY
PRISM JOHNSON LIMITED

Dated : October 27, 2020
Place : Mumbai

COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

(UNDER SECTIONS 230-232 READ WITH SECTION 52 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS AND RULES THEREUNDER)

AMONGST

PRISM JOHNSON LIMITED

(Formerly known as PRISM CEMENT LIMITED)

AND

H. & R. JOHNSON (INDIA) TBK LIMITED

AND

MILANO BATHROOM FITTINGS PRIVATE LIMITED

AND

SILICA CERAMICA PRIVATE LIMITED

AND

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

AND

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

AND

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

A. PREAMBLE

This composite scheme of arrangement and amalgamation is presented pursuant to the provisions of the 2013 Act (*defined in Part I below*) for the restructuring of the businesses of Prism Johnson Limited (**"PJL"**) (Formerly Prism Cement Limited), H. & R. Johnson (India) TBK Limited (**"HRJ TBK"**), Milano Bathroom Fittings Private Limited (**"Milano"**), Silica Ceramica Private Limited (**"Silica"**), TBK Rangoli Tile Bath Kitchen Private Limited (**"TBK Rangoli"**), TBK Venkataramiah Tile Bath Kitchen Private Limited (**"TBK Venkat"**), TBK Samiyaz Tile Bath Kitchen Private Limited (**"TBK Samiyaz"**), on a going concern basis, including:

(1) the demerger of Part III Demerged Undertakings (*defined in Part I below*) of TBK Rangoli, TBK Venkat & TBK Samiyaz [*in terms of Part III of the Scheme*] and vesting them into HRJ TBK;

(2) the demerger of Part IV Demerged Undertaking (*defined in Part I below*) [*in terms of Part IV of the Scheme*] of HRJ TBK and vesting it into PJL;

(3) the reduction of share capital of Silica [*in terms of Part V of the Scheme*];

(4) the amalgamation of Milano and Silica [*in terms of Part VI of the Scheme*] with PJL.

The composite scheme of arrangement and amalgamation involves holding company and its wholly owned subsidiaries.

B. BACKGROUND OF THE COMPANIES

1. **Prism Johnson Limited ("PJL")**

(a) PJL (CIN:L26942TG1992PLC014033) (PAN AAACP6224A) (formerly known as Prism Cement Limited) is a public company limited by shares incorporated on 26th March 1992 under the provisions of the 1956 Act (*defined in Part I below*). The registered office of PJL is situated at 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad- 16, Telangana– 500016.

(b) PJL is one of India's leading integrated building materials' company, with a wide range of products from cement, ready-mixed concrete, tiles and bathroom products.

(c) The equity shares of PJL are listed on BSE Limited ("BSE") & National Stock Exchange of India Limited ("NSE") in India and its non-convertible debentures are listed on BSE.

2. **H. & R. Johnson (India) TBK Limited ("HRJ TBK")**

(a) HRJ TBK (CIN: U45200MH1996PLC101892) (PAN AAACV4081H), an unlisted public company limited by shares incorporated on 16th August, 1996 under the provisions of the 1956 Act, is engaged, *interalia*, directly / indirectly through its subsidiaries and associates in retail/trading in tiles, bathroom fittings and kitchens & branded tiles display unit. It also provides support services. HRJ TBK is a wholly owned subsidiary of PJL.

(b) The registered office of HRJ TBK is situated at Windsor, 7th Floor, CST Road Kalina, Santa Cruz (E) Mumbai, Maharashtra – 400098.

3. **Milano Bathroom Fittings Private Limited ("Milano")**

(a) Milano (CIN: U28994HP2000PTC006251) (PAN AAFCS5482A), a private company limited by shares incorporated on 8th March, 2000 under the provisions of the 1956 Act, is engaged in the business of manufacturing of taps and fittings. Milano is a wholly owned subsidiary of PJL.

(b) The registered office of Milano is situated at Plot No. 30 Industrial Township Phase 4, Himuda, Bhatoli Kalan BaddiSolan Himachal Pradesh – 173205.

4. **Silica Ceramica Private Limited ("Silica")**

(a) Silica (CIN: U26933AP2006PTC051977) (PAN AAKCS8463N), a private company limited by shares incorporated on 12th December, 2006 under the provisions of the 1956 Act, is engaged in the business of manufacturing of ceramic vitrified tiles and glazed vitrified tiles. Silica is a wholly owned subsidiary of PJL.

(b) The registered office of Silica is situated at Narayanapuram Unguturu Mandal Narayanapuram, Andhra Pradesh – 534407.

5. **TBK Rangoli Tile Bath Kitchen Private Limited ("TBK Rangoli")**

(a) TBK Rangoli (CIN: U74120MH2010PTC209550) (PANAADCT6327R), a private company limited by shares incorporated on 28th October, 2010 under the provisions of the 1956 Act, is engaged in the business of retail/ trading of tiles, bathroom fittings & kitchens. TBK Rangoli is a wholly owned subsidiary of HRJ TBK.

(b) The registered office of TBK Rangoli is situated at Ground Floor, Kaddiya Wadi, Azad Road Near Fire Brigade Station, Vile Parle (East) Mumbai, Maharashtra – 400057.

6. **TBK Venkataramiah Tile Bath Kitchen Private Limited ("TBK Venkat")**

(a) TBK Venkat (CIN: U26900KA2010PTC056306) (PANAADCT6930E), a private company limited by shares incorporated on 21st December, 2010 under the provisions of the 1956 Act, is engaged in the business of retail/trading of tiles, bathroom fittings & kitchens. TBK Venkat is a wholly owned subsidiary of HRJ TBK.

(b) The registered office of TBK Venkat is situated at No.56 A, Ramamurthy Nagar Main Road, Dodda Banaswadi Opp, New Baldwin Residential School, Bangalore, Karnataka – 560043.

7. **TBK Samiyaz Tile Bath Kitchen Private Limited ("TBK Samiyaz")**

(a) TBK Samiyaz (CIN: U26916MH2007PTC176528) (PAN AACCT8691B), a private company limited by shares incorporated on 6th December, 2007 under the provisions of the 1956 Act, is engaged in the business of retail/trading of tiles, bathroom fittings & kitchens. TBK Samiyaz is a wholly owned subsidiary of HRJ TBK.

(b) The registered office of TBK Samiyaz is situated at G 5-10 Ground Floor, Plot no. 6, Savita Raj Complex, Kala Manak Flat Owners Society, CIDCO, New Aurangabad, Maharashtra– 431003.

C. RATIONALE

1. This Scheme (*defined in Part I below*) is expected to enable better realisation of potential of the businesses and yield beneficial results and enhanced value creation for the companies which are parties to this Scheme, their respective shareholders, lenders, employees and other stakeholders. The Scheme is proposed with a view to achieve the following benefits:

(a) the proposed Scheme would result in elimination of multiple operating companies' structure of PJL and thereby would result in consolidation of retail/trading business of certain wholly owned subsidiaries and step-down subsidiaries of PJL into a single entity, i.e. PJL;

(b) the proposed Scheme would result in simplification of operating structure under common management which would lead to elimination of duplicative communication and coordination efforts across multiple entities;

(c) the consolidation of business would lead to better, efficient and economical cost management, cost savings, pooling of resources, optimum utilisation of resources, rationalisation of administrative expenses/services;

(d) the consolidation of business would lead to synergies in operational process and logistics alignment, creating better synergy, better utilisation of human resources and further development and growth of business via a single entity, PJL;

(e) the single entity i.e. PJL would have increased capability for offering products and services by virtue of its enhanced resource base and deeper client relationship, resulting better business potential and prospects for the entity.

(f) the proposed Scheme would help PJL in sharpening its competitiveness and development of long term internal and core competencies through cost savings and benefit of economies of scale unlocked to PJL.

(g) the proposed Scheme will augment the manufacturing footprint and capabilities of PJL, by increasing the scale of manufacturing operations and bettering capacity utilisation of PJL, thereby helping in rationalising the number of vendors, aggregating the purchases and managing the supply chain more effectively and efficiently.

(h) the proposed Scheme for consolidation of retail/trading business will also simplify the forward supply chain and management of customers and bring better sales and marketing synergies.

(i) thus, this Scheme, as envisaged, is in the interest of the shareholders, creditors, employees, and other stakeholders of each of the companies by pursuing a focused business approach under a single entity, thereby resulting in overall maximization of value creation of all the stakeholders involved.

2. The respective Board of Directors (*defined in Part I below*) of PJL, HRJ TBK, Milano, Silica, TBK Venkat, TBK Rangoli and TBK Samiyaz, at their respective meetings held on 23rd Oct, 2019, after detailed deliberation and consideration, have propounded this Scheme and have approved Demerger 1 *(defined in Part I below)*, Demerger 2 *(defined in Part I below)*, reduction of share capital*(as per Part V below)* and Amalgamation *(defined in Part I below)* as integral and composite parts of the Scheme in the sequence as provided hereinafter.

D. GENERAL

3. This Scheme is divided into the following parts:

(a) **Part I** provides for the definitions and interpretations;

(b) **Part II** provides for the capital structure of PJL, HRJ TBK, Milano, Silica, TBK Rangoli, TBK Venkat & TBK Samiyaz;

(c) **Part III** provides for the demerger and vesting of Part III Demerged Undertakings (as defined below in Part I below) of TBK Rangoli, TBK Venkat & TBK Samiyaz respectively into HRJ TBK.

(d) **Part IV** provides for the demerger and vesting of Part IV Demerged Undertaking (as defined below in Part I below) (after giving effect to Part III of the Scheme) of HRJ TBK into PJL.

(e) **Part V** provides for reduction of share capital of Silica in accordance with Sec 52 and other applicable provisions of 2013 Act.

(f) **Part VI** provides for the amalgamation of Milano & Silica (after giving effect to Part IV & Part V of the Scheme) with PJL.

(g) **Part VII** deals with other general terms and conditions as applicable to the Scheme.

PART I – DEFINITIONS AND INTERPRETATIONS

1. DEFINITIONS AND INTERPRETATIONS

1.1. In this Scheme, unless repugnant to the meaning or context thereof, the following terms and expressions shall have the meanings given against them:

"1956 Act" means the Companies Act, 1956 and the rules and regulations made thereunder as may be applicable;

"2013 Act" means the Companies Act, 2013 and the rules and regulations made thereunder, and includes any alterations, modifications, amendments made thereto and/or any re-enactment thereof;

"Amalgamating Company 1" means Milano Bathroom Fittings Private Limited ("Milano"), a wholly owned subsidiary of PJL. The registered office of Milano is situated at Plot No. 30 Industrial Township Phase 4, Himuda, Bhatoli Kalan Baddi Solan Himachal Pradesh – 173205.

"Amalgamating Company 2" means Silica Ceramica Private Limited ("Silica"), a wholly owned subsidiary of PJL. The registered office of Silica is situated at Narayanapuram Unguturu Mandal Narayanapuram, Andhra Pradesh – 534407.

"Amalgamating Companies" collectively means Amalgamating Company 1 and Amalgamating Company 2;

"Amalgamated Company" or "Resulting Company 2" means Prism Johnson Limited ("PJL"), a listed public company, and having its registered office at 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad-16, Telangana – 500016.

For all practical purposes, (i) in relation to the Amalgamation of Milano & Silica with PJL pursuant to Part VI of the Scheme, PJL shall be referred as **"Amalgamated Company"** and (ii) in relation to Demerger 2 pursuant to Part IV of the Scheme, PJL shall be referred as **"Resulting Company 2"**.

"Amalgamation" means the amalgamation of the Amalgamating Company 1 & Amalgamating Company 2 with the Amalgamated Company on going concern basis, in accordance with Section 2(1B) of the Income Tax Act, 1961, in terms of Part VI of the Scheme;

"Applicable Laws" shall mean any statute, notification, bye-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by any Appropriate Authority, including any statutory modification or re-enactment thereof for the time being in force;

"Appointed Date" means April 1,2018 or such other date as the NCLT may decide/ approve, being the date with effect from which Parts III, IV, V& VI of the Scheme shall become operative and / or be deemed to have become operative, in the same sequential order as stated herein;

"**Appropriate Authority**" means any governmental body (central, state or local Government), legislative body, statutory body, departmental or public body or regulatory or administrative authority, judicial or arbitral body or other organization operating under the force of law including the National Company Law Tribunals, the Stock Exchanges, the Securities and Exchange Board of India ("**SEBI**"), Income Tax authorities and other applicable authorities to the extent that the rules, regulations, standards, requirements, procedures or orders of such authority, body, or other organization have the force of law as may be relevant in the context;

"**Board of Directors**" or "**Board**" in relation to PJL, HRJ TBK, Milano, Silica, TBK Rangoli, TBK Venkat & TBK Samiyaz as the case may be, means the board of directors of such company, and shall include a committee duly constituted and authorised for the purposes of matters pertaining to the Scheme and/or any other matter relating thereto;

"**CIN**" means Corporate Identity Number issued by the Registrar of Companies;

"**Demerged Company 1**" means TBK Rangoli Tile Bath Kitchen Private Limited ("TBK Rangoli"), a private company limited by shares incorporated on 28th October, 2010 under the provisions of the 1956 Act and having its registered office at Ground Floor, Kaddiya Wadi, Azad Road Near Fire Brigade Station, Vile Parle (East) Mumbai, Maharashtra - 400057.

"**Demerged Company 2**" means TBK Venkataramiah Tile Bath Kitchen Private Limited ("TBK Venkat"), a private company limited by shares incorporated on 21st December, 2010 under the provisions of the 1956 Act and having its registered office at No.56 A, Ramamurthy Nagar Main Road, Dodda Banaswadi Opp, New Baldwin Residential School, Bangalore, Karnataka – 560043.

"**Demerged Company 3**" means TBK Samiyaz Tile Bath Kitchen Private Limited ("TBK Samiyaz"), a private company limited by shares incorporated on 6th December, 2007 under the provisions of the 1956 Act and having its registered office at G 5-10, Ground Floor, Plot no. 6, Savita Raj Complex, Kala Manak Flat Owners Society, CIDCO New Aurangabad MH 431003.

"**Demerged Company 4**" or "**Part IV Demerged Company**" or "**Resulting Company 1**" means H. & R. Johnson (India) TBK Limited ("HRJ TBK"), a public company limited by shares incorporated on 16th August, 1996 under the provisions of the 1956 Act and having its registered office at Windsor, 7th Floor, CST Road Kalina, Santa Cruz (E) Mumbai, Maharashtra 400098.

For all practical purposes, (i) in relation to Demerger 2 pursuant to Part IV of the Scheme, HRJ TBK shall be referred as "Demerged Company 4" or "Part IV Demerged Company" and (ii) in relation to Demerger 1 pursuant to Part III; HRJ TBK shall be referred as "Resulting Company 1".

"**Demerger 1**" means transfer and vesting of the Part III Demerged Undertakings (defined hereinafter) of Part III Demerged Companies (defined hereinafter) to the Resulting

Company 1 on going concern basis, in terms of Section 2(19AA) of the Income Tax Act, as provided in Part III of the Scheme;

"Demerger 2" means transfer and vesting of the Part IV Demerged Undertaking of Part IV Demerged Company to the Resulting Company 2 (defined hereinafter), on a going concern basis, in terms of Section 2(19AA) of the Income Tax Act, as provided in Part IV of the Scheme;

"Demerged Undertaking 1" means the business of retail/trading in tiles, bathroom fittings & kitchen of TBK Rangoli comprising, *inter -alia*, of all its properties, assets, liabilities, permits, licences, registrations, approvals, contracts and employees, on a going concern basis, representing an undertaking in compliance with Explanation 1 to Sec. 2(19AA) of the Income Tax Act, including the following:

(a) all the assets and movable properties, wherever situated, whether tangible or intangible, absolute, accrued, fixed or otherwise, including property, intangible assets, loans, securities, post-dated cheques, ECS mandates, direct debit mandates, collection / escrow mechanism or other such payment mechanism, accounts and notes receivable, plant and machinery, vehicles, offices, investments, interest, capital, work-in-progress, furniture, fixtures, office equipment, appliances, computers (software as well as hardware), accessories, licenses, approvals, registrations, right to use all branches along with all the assets used therein, incentives (if any), rights as licensee or lessee, municipal permissions, regulatory permissions, consents, or powers of every kind, nature and description whatsoever, in each case in connection with or relatable to the demerging business and all other permissions, rights (including rights under any contracts, memoranda of understanding, etc.), goodwill and other intangible items (whether or not recorded in the books of Demerged Company 1), entitlements, copyrights, patents, trademarks, trade names, domain names and other industrial designs, trade secrets, or intellectual property rights of any nature and all other interest exclusively relating to the services being dealt with by the demerging business, and all deposits, advances and/or moneys paid/ received to/ by the demerging business , all statutory licenses and / or permissions to carry on the operations of the demerging business and any financial assets, benefit of any bank guarantees, performance guarantees and letter of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, receivables and liabilities related thereto, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, in each case in relation to and for the benefit of the demerging business, deferred tax benefits, privileges, exemptions, and approvals of whatsoever nature (including but not limited to benefits of tax relief including under the Income Tax Act such as credit for advance tax, taxes deducted at source and taxes collected at source including certificate received and amount appearing in Form 26AS in the name of TBK Rangoli in respect of its Business, minimum alternate tax credit, all tax holidays and exemptions, benefits under the value added tax, benefits of any unutilised CENVAT / service tax credits / GST Input Credit, etc.) all other claims, rights and benefits, power and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections, email connection, other communication facilities connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the demerging business;

(b) all rights and obligations relating to the demerging business including the receivables, the credits and the loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposit with any Appropriate Authority including any tax authority, quasi government, local or other authority or body or with any company or other person, under the customer contracts and the rights and interest of the demerging business to the security and / or collateral provided in relation to the customer contracts. It is clarified that for the purpose of determining the tenure of customer contracts / receivables, the original date of the contract will be the relevant date for the purposes of all relevant requirements;

(c) all the rights and obligations under the contracts / agreements including but not limited to service provider contracts, preferred financing contracts, connector agreements, revenue sharing agreements, leave and license agreements, direct selling agent agreements, non-disclosure agreements, memorandum of understandings, expression of interest letters, vendor agreements, master service agreements, mandate agreements, agreements executed with legal and technical vendors / valuers, framework agreements, collaboration agreements, lease agreements, master license agreements, annual maintenance contracts, agreements, license usage agreements, digital marketing agreements, project marketing agreements, total cost of service agreements, software licensing agreements, introduction agreements, mutual confidential disclosure agreements, sourcing agreements, master lease agreements, escrow agreements, trust retention account agreements, operating lease agreements / contracts, agreement to provide the facility attendants, collection agency agreements, stock yard contracts, online auction agreements, relationship referral agreements, repossession agreements, all the rights and obligations with respect to credit enhancement obligations together with corresponding collateral and interest and surplus received or receivable to meet credit enhancement obligations and all the rights and obligations with respect to collection and payout obligations, in connection with or relatable to the demerging business;

(d) all deposits and balances with government, semi-government, local and other authorities and bodies, customers and other persons, all entitlements to tax and other credits, set offs, carry forward balances including, in particular, entitlement to credit pertaining to taxes paid under Section 115JB of the Income tax Act, in connection with or relatable to the demerging business. Investments pertaining to the demerging business, securitised assets, earnest moneys and / or security deposits paid or received to/by TBK Rangoli, directly or indirectly in connection with or relating to the demerging business and where the amount of any entitlement, credit set off or carry forward balance relating directly or indirectly to the demerging business cannot be separately identified, the same shall be deemed to be the proportion of such entitlement, credit, set off or carry forward balance as the proportion of the book value of the assets of the demerging business to the total assets of TBK Rangoli as on the Appointed Date;

PRISM JOHNSON LIMITED
H. & R. Johnson (India) TBK Limited
Milano Bathroom Fittings Pvt. Ltd.
Silica Ceramica Private Limited
TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED
TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED
TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

(e) all legal (whether civil or criminal), taxation or other proceedings or investigations of whatsoever nature (including those before any Governmental Authority) initiated by or against Demerged Company 1 or proceedings or investigations to which Demerged Company 1 is party to, that pertain to Demerged Undertaking 1, whether pending/ongoing as on the Effective Date or which may be instituted any time in the future;

(f) all necessary records, files, papers, technical and process information, all product and service pricing, costing, commercial and business related information, computer program, drawings and designs, procedure and other manuals, training materials, prospect lists, data, catalogues, quotations, sales and advertising materials, financing and serving related forms, lists and all details of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form in connection with or relating to the demerging business;

(g) all the existing insurance policies including benefits thereof pertaining to the demerging business;

(h) all permanent and / or temporary employees, workmen, staff, contract staff of demerging business engaged in directly or exclusively for the demerging business and those permanent and / or temporary employees that are determined by the board of directors, to be engaged in or relatable to the demerging business;

(i) all liabilities (including liabilities, allocable as per this Scheme, if any) present and future, corporate guarantees issued and the contingent liabilities pertaining to or relatable to the demerged business, provided however that amounts of general or multipurpose borrowings, if any, of the Demerged Company 1 will be apportioned basis the proportion of the value of the assets transferred in demerger of Demerged Undertaking 1 to the total value of the assets of the Demerged Company 1 as on the Appointed Date;

"Demerged Undertaking 2" means the business of retail/trading in tiles, bathroom fittings & kitchen of TBK Venkat comprising, *inter -alia*, of all its properties, assets, liabilities, permits, licences, registrations, approvals, contracts and employees on a going concern basis, representing an undertaking in compliance with Explanation 1 to Sec. 2(19AA) of the Income Tax Act, including the following:

(a) all the assets and movable properties, wherever situated, whether tangible or intangible, absolute, accrued, fixed or otherwise, including property, intangible assets, loans, securities, post-dated cheques, ECS mandates, direct debit mandates, collection / escrow mechanism or other such payment mechanism, accounts and notes receivable, plant and machinery, vehicles, offices, investments, interest, capital, work-in-progress, furniture, fixtures, office equipment, appliances, computers (software as well as hardware), accessories, licenses, approvals, registrations, right to use all branches along with all the assets used therein, incentives (if any), rights as licensee or lessee, municipal permissions, regulatory permissions, consents, or powers of every kind, nature and description whatsoever, in each case in connection with or relatable to the demerging business and all other

PRISM JOHNSON LIMITED

H. & R. Johnson (India) TBK Limited

Milano Bathroom Fittings Pvt. Ltd.

Silica Ceramica Private Limited

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

permissions, rights (including rights under any contracts, memoranda of understanding, etc.), goodwill and other intangible items (whether or not recorded in the books of Demerged Company 2), entitlements, copyrights, patents, trademarks, trade names, domain names and other industrial designs, trade secrets, or intellectual property rights of any nature and all other interest exclusively relating to the services being dealt with by the demerging business, and all deposits, advances and/or moneys paid/ received to/ by the demerging business, all statutory licenses and / or permissions to carry on the operations of the demerging business and any financial assets, benefit of any bank guarantees, performance guarantees and letter of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, receivables and liabilities related thereto, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, in each case in relation to and for the benefit of the demerging business, deferred tax benefits, privileges, exemptions, and approvals of whatsoever nature (including but not limited to benefits of tax relief including under the Income Tax Act such as credit for advance tax, taxes deducted at source and taxes collected at source including certificate received and amount appearing in Form 26AS in the name of TBK Venkat in respect of its business, minimum alternate tax credit,all tax holidays and exemptions, benefits under the value added tax, benefits of any unutilised CENVAT / service tax credits / GST Input Credit, etc.) all other claims, rights and benefits, power and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections, email connection, other communication facilities connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the demerging business;

(b) all rights and obligations relating to the demerging business including the receivables, the credits and the loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposit with any Appropriate Authority including any tax authority, quasi government, local or other authority or body or with any company or other person, under the customer contracts and the rights and interest of the demerging business to the security and / or collateral provided in relation to the customer contracts. It is clarified that for the purpose of determining the tenure of customer contracts / receivables, the original date of the contract will be the relevant date for the purposes of all relevant requirements;

(c) all the rights and obligations under the contracts / agreements including but not limited to service provider contracts, preferred financing contracts, connector agreements, revenue sharing agreements, leave and license agreements, direct selling agent agreements, non-disclosure agreements, memorandum of understandings, expression of interest letters, vendor agreements, master service agreements, mandate agreements, agreements executed with legal and technical vendors / valuers, framework agreements, collaboration agreements, lease agreements, master license agreements, annual maintenance contracts, agreements, license usage agreements, digital marketing agreements, project marketing agreements, total cost of service agreements, software licensing agreements, introduction agreements, mutual confidential disclosure agreements, sourcing agreements, master lease agreements, escrow agreements, trust retention account agreements, operating lease agreements / contracts, agreement to provide the facility attendants, collection agency agreements, stock yard contracts, online auction agreements, relationship referral agreements, repossession agreements, all the rights and obligations with respect to credit enhancement obligations together with corresponding collateral and interest and surplus received or receivable to meet credit enhancement obligations and all the rights and obligations with respect to collection and payout obligations, in connection with or relatable to the demerging business;

(d) all deposits and balances with government, semi-government, local and other authorities and bodies, customers and other persons, all entitlements to tax and other credits, set offs, carry forward balances including, in particular, entitlement to credit pertaining to taxes paid under Section 115JB of the Income tax Act, in connection with or relatable to the demerging business. Investments pertaining to the demerging business, securitised assets, earnest moneys and / or security deposits paid or received to/by TBK Venkat, directly or indirectly in connection with or relating to the demerging business and where the amount of any entitlement, credit set off or carry forward balance relating directly or indirectly to the demerging business cannot be separately identified, the same shall be deemed to be the proportion of such entitlement, credit, set off or carry forward balance as the proportion of the book value of the assets of the demerging business to the total assets of TBK Venkat as on the Appointed Date;

(e) all legal (whether civil or criminal), taxation or other proceedings or investigations of whatsoever nature (including those before any Governmental Authority) initiated by or against Demerged Company 2 or proceedings or investigations to which Demerged Company 2 is party to, that pertain to Demerged Undertaking 2, whether pending/ongoing as on the Effective Date or which may be instituted any time in the future;

(f) all necessary records, files, papers, technical and process information, all product and service pricing, costing, commercial and business related information, computer program, drawings and designs, procedure and other manuals, training materials, prospect lists, data, catalogues, quotations, sales and advertising materials, financing and serving related forms, lists and all details of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form in connection with or relating to the demerging business;

(g) all under the existing insurance policies including benefits thereof pertaining to the demerging business;

(h) all permanent and / or temporary employees, workmen, staff, contract staff of demerging business engaged in directly or exclusively for the demerging business and those permanent and / or temporary employees that are determined by the board of directors, to be engaged in or relatable to the demerging business;

(i) all liabilities (including liabilities, allocable as per this Scheme, if any) present and future, corporate guarantees issued and the contingent liabilities pertaining to or relatable to the demerged business, provided however that amounts of general or multipurpose borrowings, if any, of the Demerged Company 2 will be apportioned basis the proportion of the value of the assets transferred in demerger of Demerged Undertaking 2 to the total value of the assets of the Demerged Company 2 as on the Appointed Date;

"Demerged Undertaking 3" means the business of retail/trading in tiles, bathroom fittings & kitchen of TBK Samiyaz comprising, *inter-alia,* of all its properties, assets, liabilities, permits, licences, registrations, approvals, contracts and employees on a going concern basis, representing an undertaking in compliance with Explanation 1 to Sec. 2(19AA) of the Income Tax Act, including the following:

(a) all the assets and movable properties, wherever situated, whether tangible or intangible, absolute, accrued, fixed or otherwise, including property, intangible assets, loans, securities, post-dated cheques, ECS mandates, direct debit mandates, collection / escrow mechanism or other such payment mechanism, accounts and notes receivable, plant and machinery, vehicles, offices, investments, interest, capital, work-in-progress, furniture, fixtures, office equipment, appliances, computers (software as well as hardware), accessories, licenses, approvals, registrations, right to use all branches along with all the assets used therein, incentives (if any), rights as licensee or lessee, municipal permissions, regulatory permissions, consents, or powers of every kind, nature and description whatsoever, in each case in connection with or relatable to the demerging business and all other permissions, rights (including rights under any contracts, memoranda of understanding, etc.), goodwill and other intangible items (whether or not recorded in the books of Demerged Company 3), entitlements, copyrights, patents, trademarks, trade names, domain names and other industrial designs, trade secrets, or intellectual property rights of any nature and all other interest exclusively relating to the services being dealt with by the demerging business, and all deposits, advances and/or moneys paid/ received to/ by the demerging business, all statutory licenses and / or permissions to carry on the operations of the demerging business and any financial assets, benefit of any bank guarantees, performance guarantees and letter of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, receivables and liabilities related thereto, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, in each case in relation to and for the benefit of the demerging business, deferred tax benefits, privileges, exemptions, and approvals of whatsoever nature (including but not limited to benefits of tax relief including under the Income Tax Act such as credit for advance tax, taxes deducted at source and taxes collected at source including certificate received and amount appearing in Form 26AS in the name of TBK Samiyaz in respect of its Business, minimum alternate tax credit, all tax holidays and exemptions, benefits under the value added tax, benefits of any unutilised CENVAT / service tax credits / GST Input Credit, etc.) all other claims, rights and benefits, power and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections, email connection, other communication facilities connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection

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Silica Ceramica Private Limited

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

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TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

with or relating to the demerging business;

(b) all rights and obligations relating to the demerging business including the receivables, the credits and the loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposit with any Appropriate Authority including any tax authority, quasi government, local or other authority or body or with any company or other person, under the customer contracts and the rights and interest of the demerging business to the security and / or collateral provided in relation to the customer contracts. It is clarified that for the purpose of determining the tenure of customer contracts / receivables, the original date of the contract will be the relevant date for the purposes of all relevant requirements;

(c) all the rights and obligations under the contracts / agreements including but not limited to service provider contracts, preferred financing contracts, connector agreements, revenue sharing agreements, leave and license agreements, direct selling agent agreements, non-disclosure agreements, memorandum of understandings, expression of interest letters, vendor agreements, master service agreements, mandate agreements, agreements executed with legal and technical vendors / valuers, framework agreements, collaboration agreements, lease agreements, master license agreements, annual maintenance contracts, agreements, license usage agreements, digital marketing agreements, project marketing agreements, total cost of service agreements, software licensing agreements, introduction agreements, mutual confidential disclosure agreements, sourcing agreements, master lease agreements, escrow agreements, trust retention account agreements, operating lease agreements / contracts, agreement to provide the facility attendants, collection agency agreements, stock yard contracts, online auction agreements, relationship referral agreements, repossession agreements, all the rights and obligations with respect to credit enhancement obligations together with corresponding collateral and interest and surplus received or receivable to meet credit enhancement obligations and all the rights and obligations with respect to collection and payout obligations, in connection with or relatable to the demerging business;

(d) all deposits and balances with government, semi-government, local and other authorities and bodies, customers and other persons, all entitlements to tax and other credits, set offs, carry forward balances including, in particular, entitlement to credit pertaining to taxes paid under Section 115JB of the Income tax Act, in connection with or relatable to the demerging business. Investments pertaining to the demerging business, securitised assets, earnest moneys and / or security deposits paid or received to/by TBK Samiyaz, directly or indirectly in connection with or relating to the demerging business and where the amount of any entitlement, credit set off or carry forward balance relating directly or indirectly to the demerging business cannot be separately identified, the same shall be deemed to be the proportion of such entitlement, credit, set off or carry forward balance as the proportion of the book value of the assets of the demerging business to the total assets of TBK Samiyaz as on the Appointed Date;

(e) all legal (whether civil or criminal), taxation or other proceedings or investigations

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of whatsoever nature (including those before any Governmental Authority) initiated by or against Demerged Company 3 or proceedings or investigations to which Demerged Company 3 is party to, that pertain to Demerged Undertaking 3, whether pending/ongoing as on the Effective Date or which may be instituted any time in the future;

(f) all necessary records, files, papers, technical and process information, all product and service pricing, costing, commercial and business related information, computer program, drawings and designs, procedure and other manuals, training materials, prospect lists, data, catalogues, quotations, sales and advertising materials, financing and serving related forms, lists and all details of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form in connection with or relating to the demerging business;

(g) all benefits under the existing insurance policies including benefits thereof pertaining to the demerging business;

(h) all permanent and / or temporary employees, workmen, staff, contract staff of demerging business engaged in directly or exclusively for the demerging business and those permanent and / or temporary employees that are determined by the board of directors, to be engaged in or relatable to the demerging business;

(i) all liabilities (including liabilities, allocable as per this Scheme, if any) present and future, corporate guarantees issued and the contingent liabilities pertaining to or relatable to the demerged business, provided however that amounts of general or multipurpose borrowings, if any, of the Demerged Company 3 will be apportioned basis the proportion of the value of the assets transferred in demerger of Demerged Undertaking 3 to the total value of the assets of the Demerged Company 3 as on the Appointed Date;

"Demerged Undertaking 4"or **"Part IV Demerged Undertaking"** means the business of retail/trading in tiles, bathroom fittings & kitchens business of HRJ TBK (including Part III Demerged Undertakings vested upon Demerger 1) undertaken directly and through its joint ventures pursuant to its holdings in such joint venture companies comprising, *inter - alia*, of its the properties, assets, investments, liabilities, permits, licences, registrations, approvals, contracts and employees on a going concern basis, representing an undertaking in compliance with Explanation 1 to Sec. 2(19AA) of the Income Tax Act, including the following:

(a) all the assets and movable properties, wherever situated, whether tangible or intangible, absolute, accrued, fixed or otherwise, including property, intangible assets, loans, securities, post-dated cheques, ECS mandates, direct debit mandates, collection / escrow mechanism or other such payment mechanism, accounts and notes receivable, plant and machinery, vehicles, offices, investments, interest, capital, work-in-progress, furniture, fixtures, office equipment, appliances, computers (software as well as hardware), accessories, licenses, approvals, registrations, right to use all branches along with all the assets used therein, incentives (if any), rights as licensee or lessee, municipal permissions, regulatory permissions, consents, or powers of every kind, nature and description whatsoever, in each case in connection with or relatable to the demerging business and all other permissions, rights (including rights under any contracts, memoranda of understanding, etc.), goodwill and other intangible items (whether or not recorded in the books of Demerged Company 4), entitlements, copyrights, patents, trademarks, trade names, domain names and other industrial designs, trade secrets, or intellectual property rights of any nature and all other interest exclusively relating to the services being dealt with by the demerging business, and all deposits, advances and/or moneys paid/ received to/ by the demerging business, all statutory licenses and / or permissions to carry on the operations of the demerging business and any financial assets, benefit of any bank guarantees, performance guarantees and letter of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, receivables and liabilities related thereto, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, in each case in relation to and for the benefit of the demerging business, deferred tax benefits, privileges, exemptions, and approvals of whatsoever nature (including but not limited to benefits of tax relief including under the Income Tax Act such as credit for advance tax, taxes deducted at source and taxes collected at source including certificate received and amount appearing in Form 26AS in the name of HRJ TBK in respect of its demerging business, minimum alternate tax credit,all tax holidays and exemptions, benefits under the value added tax, benefits of any unutilised CENVAT / service tax credits / GST Input Credit, etc.) all other claims, rights and benefits, power and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections, email connection, other communication facilities connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the demerging business;

(b) all rights and obligations relating to the demerging business including the receivables, the credits and the loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposit with any Appropriate Authority including any tax authority, quasi government, local or other authority or body or with any company or other person, under the customer contracts and the rights and interest of the demerging business to the security and / or collateral provided in relation to the customer contracts. It is clarified that for the purpose of determining the tenure of customer contracts / receivables, the original date of the contract will be the relevant date for the purposes of all relevant requirements;

(c) all the rights and obligations under the contracts / agreements including but not limited to service provider contracts, preferred financing contracts, connector agreements, revenue sharing agreements, leave and license agreements, direct selling agent agreements, non-disclosure agreements, memorandum of understandings, expression of interest letters, vendor agreements, master service agreements, mandate agreements, agreements executed with legal and technical vendors / valuers, framework agreements, collaboration agreements, lease agreements, master license agreements, annual maintenance contracts, agreements, license usage agreements, digital marketing agreements, project marketing

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agreements, total cost of service agreements, software licensing agreements, introduction agreements, mutual confidential disclosure agreements, sourcing agreements, master lease agreements, escrow agreements, trust retention account agreements, operating lease agreements / contracts, agreement to provide the facility attendants, collection agency agreements, stock yard contracts, online auction agreements, relationship referral agreements, repossession agreements, all the rights and obligations with respect to credit enhancement obligations together with corresponding collateral and interest and surplus received or receivable to meet credit enhancement obligations and all the rights and obligations with respect to collection and payout obligations, in connection with or relatable to demerging business;

(d) all deposits and balances with government, semi-government, local and other authorities and bodies, customers and other persons, all entitlements to tax and other credits, set offs, carry forward balances including, in particular, entitlement to credit pertaining to taxes paid under Section 115JB of the Income tax Act, in connection with or relatable to the demerging business. Investments pertaining to the demerging business, securitised assets, earnest moneys and / or security deposits paid or received to/by HRJ TBK, directly or indirectly in connection with or relating to the demerging business and where the amount of any entitlement, credit set off or carry forward balance relating directly or indirectly to the demerging business cannot be separately identified, the same shall be deemed to be the proportion of such entitlement, credit, set off or carry forward balance as the proportion of the book value of the assets of the demerging business to the total assets of HRJ TBK as on the Appointed Date;

(e) all legal (whether civil or criminal), taxation or other proceedings or investigations of whatsoever nature (including those before any Governmental Authority) initiated by or against Demerged Company 4 or proceedings or investigations to which Demerged Company 4 is party to, that pertain to Demerged Undertaking 4, whether pending/ongoing as on the Effective Date or which may be instituted any time in the future;

(f) all necessary records, files, papers, technical and process information, all product and service pricing, costing, commercial and business related information, computer program, drawings and designs, procedure and other manuals, training materials, prospect lists, data, catalogues, quotations, sales and advertising materials, financing and serving related forms, lists and all details of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form in connection with or relating to the demerging business;

(g) all under the existing insurance policies including benefits thereof pertaining to the demerging business;

(h) all permanent and / or temporary employees, workmen, staff, contract staff of demerging business engaged in directly or exclusively for the demerging business and those permanent and / or temporary employees that are determined by the board of directors, to be engaged in or relatable to the demerging business;

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(i) all liabilities (including liabilities, allocable as per this Scheme, if any) present and future, corporate guarantees issued and the contingent liabilities pertaining to or relatable to the demerged business, provided however that amounts of general or multipurpose borrowings, if any, of the Demerged Company 4 will be apportioned basis the proportion of the value of the assets transferred in demerger of Demerged Undertaking 4 to the total value of the assets of the Demerged Company 4 as on the Appointed Date;

Notwithstanding the generality of the above, the assets & liabilities forming part of Part IV Demerged Undertakings is set out in Schedule 1 hereto.

"Effective Date" shall mean the date on which the last of all the conditions and matters referred to in Clause 44 have been fulfilled, obtained or waived. References in this Scheme to date of 'upon this Scheme becoming effective' or 'upon this Scheme coming into effect' shall mean the Effective Date;

"Encumbrance" means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term "Encumbered" shall be construed accordingly;

"Income Tax Act" means the Income Tax Act, 1961, including any amendments made therein or statutory modifications or re-enactments thereof for the time being in force and rules and regulations, circulars, and notifications issued thereunder, each as amended from time to time and to extent in force;

"IND AS" means the Indian Accounting Standards prescribed under Section 133 of the Act as notified under the Companies (Indian Accounting Standard) Rules, 2015;

"Legal Proceedings" means proceedings of whatsoever nature, civil or criminal, including any notices, disputes, suits, actions, appeals, arbitrations, execution proceedings, revisions, writ petitions, suits and taxation proceedings, pending before any statutory or quasi-judicial authority or tribunal or any proceedings of whatsoever nature;

"Liabilities" means all present and future liabilities including contingent liabilities, secured and unsecured debts (whether in Indian rupees or foreign currency), duties and obligations or obligations of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations along with any Encumbrance, including any bank guarantees thereon;

"NCLT" means the bench of the National Company Law Tribunal at Hyderabad, Mumbai, Chandigarh, Amravati and Bengaluru, as applicable, including Principal Bench of National Company Law Tribunal at New Delhi and shall include, if applicable, such other forum or authority as may be vested with the powers of a National Company Law Tribunal under the 2013 Act;

"NCLT Sanction Order / Order" means the order of the NCLT sanctioning this Scheme under Sections 230 to 232 read with Section 52 of the 2013 Act and other applicable provisions of the 2013 Act, including any alteration, modification, amendment made

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thereto and supplementary orders/directions in relation thereto;

"**Part III Demerged Companies**" collectively means Demerged Company 1, Demerged Company 2 and Demerged Company 3;

"**Part III Demerged Undertakings**" collectively means Demerged Undertaking 1, Demerged Undertaking 2 and Demerged Undertaking 3 and notwithstanding the generality of the definitions of these terms, the assets & liabilities forming part of Part III Demerged Undertakings is set out in Schedule 2 hereto.

"**PAN**" means Permanent Account Number issued by the Income Tax department.

"**Registrar of Companies**" means the Registrar of Companies, at Hyderabad, Mumbai, Himachal Pradesh and Bangalore, as may be applicable;

"**Scheme**" **or** "**the Scheme**" or "**this Scheme**" or "**draft Scheme**" means this Composite Scheme of Arrangement and Amalgamation pursuant to Sec 230 to 232 read with Sec 52 of 2013 Act and other applicable provisions thereunder, in its present form submitted to NCLT or any other Appropriate Authority with any modification(s) thereto as the Board or NCLT or any other Appropriate Authority may require, direct or approve;

"**Stock Exchanges**" means Bombay Stock Exchange Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") where the equity shares and non-convertible debentures of PJL are listed;

1.2. All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the 2013 Act, as applicable, the Income Tax Act and other Applicable Laws, rules, directions, guidelines, regulations, bye-laws, as the case may be or any statutory modification or re-enactment(s) thereof for the time being in force.

1.3. In this Scheme, unless the context otherwise requires:

(a) words denoting singular shall include plural and vice versa;

(b) headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;

(c) references to the word "include" or "including" shall be construed without limitation;

(d) a reference to an article, clause, section or paragraph is, unless indicated to the contrary, a reference to an article, clause, section or paragraph of this Scheme;

(e) unless otherwise defined, the reference to the word "days" shall mean calendar days;

(f) references to dates and times shall be construed to be references to Indian dates and times;

(g) reference to a document includes an amendment or supplement to, or replacement or novation of, that document;

(h) references to a person include any individual, firm, body corporate (whether incorporated or not), government, state or agency of a state or any joint venture, association, partnership, works councillor employee representatives body (whether or not having separate legal personality);

(i) references to any of the terms taxes, duty, levy, cess in the Scheme shall be construed as reference to all of them whether jointly or severally;

(j) word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them;

(k) any reference to any statute or statutory provision shall include:

i. all subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment; and

ii. such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the filing of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the matters contemplated under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced.

PART II – SHARE CAPITAL

2. SHARE CAPITAL

2.1. Prism Johnson Limited

The capital structure of PJL as on October 23, 2019is as under:

A. Authorised Share Capital	Amount (INR in Lakhs)
52,50,00,000 Equity shares of Rs. 10 each	52,500.00
Total	**52,500.00**
B. Issued, subscribed and paid-up Share Capital	**Amount (INR in Lakhs)**
Issued and subscribed	
50,33,56,580 Equity shares of Rs. 10 each	50,335.66
Total	**50,335.66**

The equity shares of PJL are listed on the Stock Exchanges. As on October 23, 2019, the promoters of PJL hold 74.87% of equity shareholding in PJL and the balance equity shareholding is held by the public shareholders.

2.2. H. & R. Johnson (India) TBK Limited

The capital structure of HRJ TBK as on October 23, 2019 is as under:

A. Authorised Share Capital	Amount (INR in Lakhs)
5,00,000 Equity shares of Rs. 100 each	500.00
Total	**500.00**
B. Issued, subscribed and paid-up Share Capital	**Amount (INR in Lakhs)**
1,61,020 Equity shares of Rs. 100 each	161.02
Total	**161.02**

HRJ TBK is a wholly owned subsidiary of PJL.

2.3. Milano Bathroom Fittings Private Limited

The capital structure of Milano as on October 23, 2019 is as under:

A. Authorised Share Capital	Amount (INR in Lakhs)
73,000 equity shares of Rs.100/- each	73.00
3,87,500 Preference shares of Rs. 100/- each	387.50
Total	**460.50**

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B. Issued, subscribed and paid-up Share Capital	**Amount (INR in Lakhs)**
72,446 Equity shares of Rs. 100 each	72.45
2,00,000 Preference Shares of Rs. 100 each	200.00
Total	**272.45**

Milano is a wholly owned subsidiary of PJL.

2.4. Silica Ceramica Private Limited

The capital structure of Silica as on October 23, 2019 is as under:

A. Authorised Share Capital	**Amount (INR in Lakhs)**
12,16,10,000 equity shares of Rs.10/- each	12,161.00
Total	**12,161.00**
B. Issued, subscribed and paid-up Share Capital	**Amount (INR in Lakhs)**
12,16,08,283 Equity shares of Rs. 10 each	12,160.83
Total	**12,160.83**

Silica is a wholly owned subsidiary of PJL.

2.5. TBK Rangoli Tile Bath Kitchen Private Limited

The capital structure of TBK Rangoli as on October 23, 2019 is as under:

A. Authorised Share Capital	**Amount (INR in Lakhs)**
10,000 equity shares of Rs.10/- each	1.00
Total	**1.00**
B. Issued, subscribed and paid-up Share Capital	**Amount (INR in Lakhs)**
10,000 Equity shares of Rs. 10 each	1.00
Total	**1.00**

TBK Rangoli is a wholly owned subsidiary of HRJ TBK.

2.6. TBK Venkataramiah Tile Bath Kitchen Private Limited

The capital structure of TBK Venkat as on October 23, 2019 is as under:

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A. Authorised Share Capital	Amount (INR in Lakhs)
10,000 equity shares of Rs.10/- each	1.00
Total	**1.00**

B. Issued, subscribed and paid-up Share Capital	Amount (INR in Lakhs)
10,000 Equity shares of Rs. 10 each	1.00
Total	**1.00**

TBK Venkat is a wholly owned subsidiary of HRJ TBK.

2.7. TBK Samiyaz Tile Bath Kitchen Private Limited

The capital structure of TBK Samiyaz as on October 23, 2019 is as under:

C. Authorised Share Capital	Amount (INR in Lakhs)
83,000 equity shares of Rs.10/- each	8.30
Total	**8.30**

D. Issued, subscribed and paid-up Share Capital	Amount (INR in Lakhs)
83,000 Equity shares of Rs. 10 each	8.30
Total	**8.30**

TBK Samiyaz is a wholly owned subsidiary of HRJ TBK.

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PART III – DEMERGER OF PART III DEMERGED UNDERTAKINGS OF PART III DEMERGED COMPANIES INTO RESULTING COMPANY 1

3. TRANSFER AND VESTING OF PART III DEMERGED UNDERTAKINGS OF PART III DEMERGED COMPANIES RESPECTIVELY INTO RESULTING COMPANY 1

3.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, the Part III Demerged Undertakings together with all their business and operations including all their assets and liabilities shall, pursuant to the provisions of Sections 230 to 232, and other relevant provisions of the 2013 Act, and in accordance with Section 2(19AA) of the Income Tax Act, without any further act, instrument or deed, be deemed to be demerged from Part III Demerged Companies and transferred to and vest in, or be deemed to be transferred to and vested in the Resulting Company 1, as a going concern on "as-is-where-basis", so as to become as and from the Appointed Date, the undertaking of the Resulting Company 1 by virtue of and in the manner provided in Part III of this Scheme.

3.2. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme and with effect from the Appointed Date, in accordance with the provisions of Applicable Laws and the 2013 Act, all the consents, permissions, licenses, certificates, authorities (including for the operation of bank accounts), properties, claims, title, interest and authorities including accretions and appurtenances, powers of attorneys given by, issued to or executed in favour of Part III Demerged Companies, and the rights and benefits under the same shall, insofar as they relate to the Part III Demerged Undertakings and all quality certifications and approvals, trademarks, brand names, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other intellectual property and all other interests relating to the goods, services or any other assets being directly and exclusively dealt with by the Part III Demerged Undertakings shall, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, shall stand transferred to and vested in the Resulting Company 1. In respect of all the movable assets of Part III Demerged Companies in so far as they pertain to the Part III Demerged Undertakings and the other assets pertaining to Part III Demerged Undertakings which are otherwise capable of transfer to the Resulting Company 1 shall be deemed to have been physically handed over by physical delivery or by endorsement and delivery or by constructive delivery, as the case may be, to the Resulting Company 1 to the end and intent that the property and benefit therein passes to the Resulting Company 1 with effect from the Appointed Datewithout requiring any deed or instrument of conveyance for transfer of the same. Such delivery and transfer shall be made on a date mutually agreed upon between the respective Board of Directors of Part III Demerged Companies and the Resulting Company 1 by way of delivery of possession of the respective documents, as a part of the transfer of the Part III Demerged Undertakings as a going concern. In respect of any intangible and moveable assets of Part III Demerged Companies pertaining to the Part III Demerged Undertakings, other than those mentioned hereinabove, and actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with any Appropriate Authority and customers, the same shall on and from the Appointed Date stand transferred to and vested in the Resulting Company 1. The Resulting Company 1 may, issue notices in such form as the Resulting

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Company 1 may deem fit and proper stating that pursuant to the Scheme becoming effective, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Resulting Company 1 , as the person entitled thereto, to the end and intent that the right of Part III Demerged Companies to recover or realize the same stands transferred to the Resulting Company 1 and that appropriate entries shall be passed in their respective books to record the aforesaid changes.

3.3. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all the various incentives, goods and services tax benefits, all tax holiday, deductions under the Income Tax Act, subsidies (including applications for subsidies), grants, special status and other benefits or privileges enjoyed, granted by any governmental body, local authority or by any other person, or availed of by Part III Demerged Companies are concerned, the same shall, without any further act or deed, in so far as they relate to the Part III Demerged Undertakings , vest with and be available to the Resulting Company 1 on the same terms and conditions. All intangible assets including various business or commercial rights, etc., if any, belonging to but not recorded in books of Part III Demerged Companies pertaining to Part III Demerged Undertakings, shall be transferred to and vested with Resulting Company 1.

3.4. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all debts and Liabilities of the Part III Demerged Companies pertaining to the Part III Demerged Undertakings shall, pursuant to the applicable provisions of 2013 Act and the provisions of this Scheme and, without any further act or deed, become the debts and Liabilities of the Resulting Company 1, and Resulting Company 1 shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. For the avoidance of doubt, it is clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts and Liabilities have arisen in order to give effect to the provisions of this clause. The amounts of general or multipurpose borrowings, if any, of the Part III Demerged Companies will be apportioned on the basis of the proportion of the value of the assets transferred in Demerger 1 of Part III Demerged Undertakings to the total value of the assets of the Part III Demerged Companies immediately before the Demerger 1.

3.5. Where any of the Liabilities of the Part III Demerged Undertakings, as on the Appointed Date deemed to be transferred to the Resulting Company 1 have been discharged by Part III Demerged Companies after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company 1.

3.6. All inter-se liabilities, between Part III Demerged Companies pertaining to Part III Demerged Undertakings respectively and Resulting Company 1, if any, due or outstanding or which may at any time immediately prior to the Effective Date become due or remain outstanding, shall stand cancelled and be deemed to have been discharged by such cancellation and consequently, there shall remain no inter-se liability between them as of Effective Date and corresponding effect shall be given in the books of account and records of Resulting Company 1.

3.7. It is expressly clarified that in case any question that may arise as to whether any particular asset or liability pertains or does not pertain to the Part III Demerged Undertakings of the

Part III Demerged Companies, or whether it arises out of the activities or operations of the Part III Demerged Undertakings, the same shall be decided by mutual agreement between Board of Directors of the Part III Demerged Companies and that of Resulting Company 1.

3.8. The Demerger 1 and the transfer and vesting of the assets shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided:

(a) The Encumbrances or those, if any, in terms of this Scheme, over the assets comprised in Part III Demerged Undertakings, or any part thereof transferred to the Resulting Company 1, shall after the Effective Date continue to relate and attach to such assets or any part thereof to which they are related or attached to, prior to the Effective Date and such Encumbrances shall not relate to or attach to any of the other assets of Resulting Company 1.

(b) In so far as any Encumbrances over the assets comprised in the Part III Demerged Undertakings are security for liabilities of the Remaining Business of Part III Demerged Companies, the same shall, on the Effective Date, without any further act, instrument or deed be modified to the extent that all such assets of the Part III Demerged Undertakings, shall stand released and discharged from the obligations and security relating to the same and the Encumbrances shall only extend to and continue to operate against the assets retained with Part III Demerged Companies and shall cease to operate against any of the assets transferred to the Resulting Company 1. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.

(c) Any reference in any security documents or arrangements (to which the Part III Demerged Companies is a party) to the Part III Demerged Companies and its assets and properties, shall be construed as a reference to the Resulting Company 1 and the assets and properties of the Part III Demerged Companies transferred to the Resulting Company 1 pursuant to Part III of this Scheme.

(d) In so far as any Encumbrances over the assets comprised in the Remaining Business of Part III Demerged Companies are security for the related Liabilities of Part III Demerged Undertakings, the same shall, on the Effective Date, without any further act, instrument or deed be modified to the extent that all such assets shall stand released and discharged from the obligations and security relating to the same. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.

(e) Without prejudice to the provisions of the foregoing clauses, upon the Scheme becoming effective, Part III Demerged Companies and the Resulting Company 1 shall execute appropriate deeds of confirmations, all instruments or documents or do all the acts and deeds as may be required, with any party to any contract or arrangement in relation to Part III Demerged Undertakings, including the filing of necessary particulars and/or modifications of charge with the Registrar of Companies, to give formal effect to the above provisions, if required. The Resulting Company 1 shall, under the provisions hereof, be deemed to be authorised to execute any such writings in the name of and on behalf of the Part III Demerged Companies in relation to the Part III Demerged Undertakings and to carry out or perform all such

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formalities or compliances referred to above on the part of the Part III Demerged Companies *inter alia* in its capacity as the successor-in-interest of the Part III Demerged Companies in relation to the Part III Demerged Undertakings.

(f) Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of Clause 3 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

3.9. It is hereby clarified that the rest of the assets and Liabilities (other than those forming part of the Part III Demerged Undertakings or otherwise specified in this Scheme) of Part III Demerged Companies shall continue in Part III Demerged Companies respectively.

3.10. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of Part III Demerged Companies pertaining to the Part III Demerged Undertakings after the Effective Date shall be accepted by the bankers of the Resulting Company 1 and credited to the account of the Resulting Company 1, if presented by the Resulting Company 1. Similarly, the banker of the Resulting Company 1 shall honour all cheques issued by Part III Demerged Companies pertaining to the Part III Demerged Undertakings respectively for payment after the Effective Date. If required, Part III Demerged Companies shall allow maintaining of bank accounts in its name by the Resulting Company 1 for such time as may be determined to be necessary by Part III Demerged Companies and the Resulting Company 1 for presentation and deposition of cheques and pay orders that have been issued in the name of Part III Demerged Companies in connection with the business of Part III Demerged Undertakings.

3.11. It is clarified that if any assets (claims, rights, title, interest in, or authorities relating to such assets) or liabilities or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever in relation to Part III Demerged Undertakings which Part III Demerged Companies owns or to which Part III Demerged Companies are parties and which cannot be transferred to the Resulting Company 1 for any reason whatsoever, Part III Demerged Companies shall hold such assets or contract, deeds, bonds, liabilities, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the Resulting Company 1 to which the Part III Demerged Undertakings is being transferred in terms of this Scheme, in so far as it is permissible so to do, till such time as the transfer is effected.

3.12. All necessary records, files, papers, technical and process information, all product and service pricing, costing, commercial and business related information, computer program, drawings and designs, procedure and other manuals, training materials, prospect lists, data, catalogues, quotations, sales and advertising materials, financing and serving related forms, lists and all details of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form in connection with or relating to the Part III Demerged Undertakings shall be transferred to the Resulting Company 1;

3.13. All statutory rights and obligations pertaining to Part III Demerged Undertakings would vest in/accrue to Resulting Company 1. Hence, obligation pertaining to Part III Demerged

Undertakings, prior to the Effective Date, to issue or receive any statutory declaration or any other forms by whatever name called, under the Goods and Service Tax Act or any other act for the time being in force, would be deemed to have been fulfilled if they are issued or received by Part III Demerged Companies and if any form relatable to the period prior to the said Effective Date is received in the name of Part III Demerged Companies, it would be deemed to have been received by Resulting Company 1 in fulfilment of their obligations.

4. LEGAL PROCEEDINGS

4.1. All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitrations, execution proceedings, revisions, writ petitions, if any) by or against the Part III Demerged Companies shall not abate, be discontinued or be in any way prejudicially affected by reason of the demerger or anything contained in this Scheme but the said proceedings, shall, till the Effective Date be continued, prosecuted and enforced by or against the Part III Demerged Companies, as if this Scheme had not been made.

4.2. With effect from the Effective Date, all Legal Proceedings by or against Part III Demerged Companies relating to the Part III Demerged Undertakings respectively under any statute, whether pending on the Appointed Date or which may be instituted anytime thereafter, shall be continued and enforced by or against the Resulting Company 1 after the Effective Date, to the extent legally permissible. To the extent the Legal Proceedings cannot be taken over by the Resulting Company 1, the Legal Proceedings shall be pursued by or against the Part III Demerged Companies as per the instructions of and entirely at the costs and expenses of the Resulting Company 1. In the event that such liability is incurred or such claim or demand is made upon Part III Demerged Companies (or any successor thereof) pertaining to the Part III Demerged Undertakings then the Resulting Company 1 shall reimburse and indemnify Part III Demerged Companies (or any successor thereof) for any payments made in relation to the same.

4.3. Upon the coming into effect of this Scheme, any Legal Proceedings by or against Part III Demerged Companies under any statute, whether or not pending on the Appointed Date, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business of Part III Demerged Companies (including those relating to any property, right, power or Liabilities of Part III Demerged Companies in respect of the Remaining Business of Part III Demerged Companies) shall be continued and enforced by or against Part III Demerged Companies. The Resulting Company 1 shall in no event be responsible or liable for or in relation to any such Legal Proceeding by or against Part III Demerged Companies.

4.4. The Resulting Company 1 undertakes to have accepted on behalf of itself, all suits, claims, actions and Legal Proceedings initiated pertaining to the Part III Demerged Undertakings, transferred to its name and to have the same continued, prosecuted and enforced by or against the Resulting Company 1.

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5. CONTRACTS, LICENSES, APPROVALS AND PERMITS

5.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, all leases, licenses, guarantees, approvals, permissions, registrations, consents or permits, whether governmental or otherwise, contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Part III Demerged Undertakings to which Part III Demerged Companies respectively is a party or to the benefit of which Part III Demerged Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour of, as the case may be, vest in the Resulting Company 1, and may be enforced as fully and effectually as if, instead of Part III Demerged Companies, the Resulting Company 1 had been a party or beneficiary or obliged thereto. For the avoidance of doubt, it is clarified that if the consent of any third party or authority is required to give effect to the provisions of this clause, the said third party or authority shall be obligated to, and shall make and duly record the necessary substitution / endorsement in the name of the Resulting Company 1 pursuant to the Scheme becoming effective in accordance with the terms hereof. For this purpose, the Resulting Company 1 shall file appropriate applications / documents / intimations with relevant authorities concerned for the information and record purposes.

5.2. Any inter-se contracts between the Resulting Company 1 and the Part III Demerged Companies pertaining to Part III Demerged Undertakings respectively shall stand cancelled and cease to operate upon the Scheme becoming effective.

5.3. All guarantees provided by any bank in relation to the Part III Demerged Undertakings of the Part III Demerged Companies respectively outstanding as on the Effective Date, shall vest in the Resulting Company 1 and shall ensure to the benefit of the Resulting Company 1 and all guarantees issued by the bankers of the Part III Demerged Companies in relation to the Part III Demerged Undertakings at their request favouring any third party shall be deemed to have been issued at the request of the Resulting Company 1 and continue in favour of such third party till its maturity or earlier termination.

5.4. It is hereby clarified that if any licenses, approvals, permits, contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Part III Demerged Undertakings to which Part III Demerged Companies is a party to, cannot be transferred to the Resulting Company 1 for any reason whatsoever, Part III Demerged Companies shall hold such licenses, approvals, permits, contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company 1, in so far as it is permissible so to do till such time as the transfer is affected.

5.5. Benefits of any and all corporate approvals as may have already been taken by the Part III Demerged Companies in connection with the Part III Demerged Undertakings shall stand transferred to the Resulting Company 1 and the said corporate approvals and compliances shall be deemed to have been taken/ complied with by the Resulting Company 1.

5.6. The Resulting Company 1 shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer / obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences and certificates which were held or enjoyed by the Part III Demerged Companies in connection with the Part III Demerged Undertakings. For the avoidance of doubts, it is clarified that if the consent of any third party or Governmental Authority, if any, is required to give effect to the provisions of this clause, the said third party or Governmental Authority shall make and duly record the necessary substitution / endorsement in the name of the Resulting Company 1 pursuant to the Scheme becoming effective. The Resulting Company 1 shall file appropriate applications / documents with the relevant authorities concerned for information and record purposes and the Resulting Company 1 shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Part III Demerged Companies in so far as the same are in connection with the Part III Demerged Undertakings and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

5.7. In relation to the above, any procedural requirements required to be fulfilled solely by Part III Demerged Companies (and not by its successors) in so far as the same are in connection with the Part III Demerged Undertakings, shall be fulfilled by Resulting Company 1 as if it is the duly constituted attorney of Part III Demerged Companies.

6. **TREATMENT OF TAXES**

6.1. All taxes (including income tax, advance tax, minimum alternate tax and credits, securities transaction tax, self assessment tax, sales tax, service tax, goods and services tax, etc.) including interest, penalty, surcharge and cess, if any paid or payable by or refundable to Part III Demerged Companies, in respect of the operations and / or the profits of the Part III Demerged Undertakings respectively before the Appointed Date, shall be on account of Part III Demerged Companies, and insofar as it relates to the tax payment (including, without limitation, sales tax, income tax, service tax, goods and services tax etc.), whether by way of deduction or collection at source, advance tax or otherwise howsoever, by Part III Demerged Companies in respect of the profits or activities or operations of the Part III Demerged Undertakings after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Resulting Company 1, and shall, in all proceedings, be dealt with accordingly. It is hereby clarified that MAT Credit entitlement of Part III Demerged Companies pertaining to Part III Demerged Undertakings under section 115JB read with section 115JAA of IT Act as on Appointed Date shall also get transferred to Resulting Company 1 upon Demerger 1.

6.2. Without prejudice to the generality of the foregoing, on and from the Appointed Date, if any certificate for tax deducted or collected at source or any other tax credit certificate relating to the Part III Demerged Undertakings is received in the name of Part III Demerged Companies respectively, or tax credit relating to the Part III Demerged Undertakings is appearing in Form 26AS of the Part III Demerged Companies, it shall be deemed to have been received by and in the name of the Resulting Company 1 which alone shall be entitled to claim credit for such tax deducted or paid.

6.3. Upon the coming into effect of this Scheme, Part III Demerged Companies and the Resulting Company 1 are expressly permitted to file / revise/ reopen their respective tax returns / computation of total income after giving effect of Demerger 1 electronically and if the electronic filing is not enabled in the official website of the income tax department, it can be filed manually before the income tax authorities holding jurisdiction over the Part III Demerged Companies and the Resulting Company 1 even if the time limit prescribed for filing revised return of income/ computation of total income, as applicable, has lapsed and/or assessment proceedings has been completed and no further approval for filing revised return / revised computation of total income after giving effect of the Demerger 1 shall be required from CBDT or any other Appropriate Authority and also revise related withholding tax certificates, including withholding tax certificates relating to transactions between Part III Demerged Companies and Resulting Company 1, to the extent required and to claim refunds, advance tax and withholding tax credits, and benefit of credit for minimum alternate tax, or tax related deductions, or any other tax related compliances or filings of forms.

6.4. The goods and services tax paid by Part III Demerged Companies in respect of goods & services provided by the Part III Demerged Undertakings for the period commencing from the Appointed Date shall be deemed to be the goods and services tax paid by the Resulting Company 1, and credit for such goods and services tax shall be allowed to the Resulting Company 1 notwithstanding that challans for goods and services tax payments are in the name of Part III Demerged Companies and not in the name of the Resulting Company 1.

6.5. Upon the coming into effect of this Scheme and as per the provisions of section 72A and other applicable provisions of the IT Act, all accumulated losses and unabsorbed depreciation, if any, of the Part III Demerged Companies pertaining to the Part III Demerged Undertakings shall be transferred to the Resulting Company 1. It is expressly clarified that all the accumulated losses and unabsorbed depreciation as are transferred, shall be eligible to be carried forward and set off in the hands of the Resulting Company 1.

7. EMPLOYEES

7.1. All the employees of Part III Demerged Companies who are exclusively part of the Part III Demerged Undertakings and those employees as the board of directors may determine shall stand transferred to the Resulting Company 1 on Effective Date on terms and conditions, which as a result, shall not be less favourable than the terms and conditions of employment offered by Part III Demerged Companies (including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and / or any other retirement benefits) without any interruption in service as a result of transfer of the Part III Demerged Undertakings to the Resulting Company 1 and without any further act, deed or instrument on the part of Part III Demerged Companies or the Resulting Company 1.

7.2. Upon the Scheme becoming effective, Part III Demerged Companies will transfer/handover to Resulting Company 1, copies of employment information of all such transferred employees of Part III Demerged Companies, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.

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7.3. The Resulting Company 1 agrees that the services of all such employees (as mentioned in Clause 7.1 above) with Part III Demerged Companies prior to the transfer, as aforesaid, shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity fund plans, provident fund plans, superannuation fund plans and any other retirement benefits and accordingly, shall be reckoned therefore from the date of their respective appointment in Part III Demerged Companies who were part of the Part III Demerged Undertakings respectively.

7.4. The existing provident fund, superannuation and gratuity fund, incentives, if any, of which the aforesaid employees of Part III Demerged Companies (who are part of the Part III Demerged Undertakings respectively) are members or beneficiaries, along with all accumulated contributions therein till the Effective Date, shall, with the approval of the concerned authorities, be transferred to and continued without any break, to be administered by the Resulting Company 1 or as may be created by the Resulting Company 1 for the benefit of such employees on the same terms and conditions. All benefits and schemes being provided to the transferred employees will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes. Accordingly, the provident fund, superannuation fund and gratuity fund dues, if any, of the said employees of Part III Demerged Companies, would be continued to be deposited in the transferred provident fund, superannuation fund and gratuity fund account by the Resulting Company 1. In case necessary approvals are not received or the respective funds are not created by the Effective Date and there is delay, all such amounts shall continue to be administered by Part III Demerged Companies as a trustee from the Effective Date till the date of actual transfer and on receiving the approvals, all the accumulated amounts till such date, shall be transferred to the respective funds of the Resulting Company 1 in accordance with the approvals that have been obtained.

8. SAVING OF CONCLUDED TRANSACTIONS

8.1. The demerger and vesting of the assets and Liabilities in relation to the Part III Demerged Undertakings as per Part III of this Scheme, and the continuance of the Legal Proceedings by or against the Resulting Company 1 shall not affect any transaction or proceedings already completed by the Part III Demerged Undertakings on or after the Appointed Date but before the Effective Date, to the end and intent that the Resulting Company 1 accepts all acts, deeds and things done and executed by and / or on behalf as acts, deeds and things done and executed by and on behalf of the Resulting Company 1.

9. CONDUCT OF BUSINESS OF THE PART III DEMERGED UNDERTAKINGS OF PART III DEMERGED COMPANIES UNTIL THE EFFECTIVE DATE

9.1. With effect from the Appointed Date and up to and including the Effective Date, Part III Demerged Companies shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Part III Demerged Undertakings for and on account of and in trust for the Resulting Company 1.

9.2. All profits or income accruing or arising to Part III Demerged Companies or losses including tax losses, or expenditure arising or incurred by Part III Demerged Companies in

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relation to the Part III Demerged Undertakings respectively for the period commencing from the Appointed Date to the Effective Date shall, for all purposes, be treated as profit, income, loss or expenditure, as the case may be, of the Resulting Company 1.

9.3. All assets acquired by Part III Demerged Companies on or after the Appointed Date and prior to the Effective Date for operation of the Part III Demerged Undertakings or pertaining to the Part III Demerged Undertakings shall be deemed to have been acquired in trust for and on behalf of the Resulting Company 1, and shall also stand transferred to and vested in the Resulting Company 1 upon the coming into effect of this Scheme.

9.4. Where any of the Liabilities and obligations of Part III Demerged Companies as on the Appointed Date deemed to be transferred to the Resulting Company 1 have been discharged by Part III Demerged Companies after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company 1, and all loans raised and used and all liabilities and obligations incurred by Part III Demerged Companies for the operations of the Part III Demerged Undertakings after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Resulting Company 1, and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Resulting Company 1 and shall become the Liabilities and obligations of the Resulting Company 1, which shall be liable to meet, discharge and satisfy the same.

9.5. All taxes, where applicable, (including but not limited to advance income tax, tax deducted at source, minimum alternate tax, banking cash transaction tax, tax collected at source, taxes withheld/paid in a foreign country, customs duty, goods and services tax, as applicable, cess, tax refunds) payable by or refundable to Part III Demerged Companies pertaining to the Part III Demerged Undertakings including all or any tax refunds or tax liabilities or tax claims arising from pending tax proceedings, under Applicable Law, on or before the Effective Date, shall be treated as or deemed to be treated as the tax liability or tax refunds/ tax claims (whether or not recorded in the books of Part III Demerged Companies) as the case may be, of Resulting Company 1, and any unabsorbed tax losses and depreciation as would have been available to Part III Demerged Companies shall be available to Resulting Company 1 upon the Scheme becoming effective.

9.6. Part III Demerged Companies hereby confirm that they shall continue, from the date of approval of the Scheme by the Board of Part III Demerged Companies and up to the Effective Date, to preserve and carry on the Part III Demerged Undertakings with due diligence and prudence.

9.7. Subject to the terms of the Scheme, the transfer and vesting of the Part III Demerged Undertakings as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded on or with effect from the Appointed Date as applicable till the Effective Date.

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10. CONSIDERATION

10.1. As the entire share capital of Part III Demerged Companies is held by Resulting Company 1 along with its nominees, it is expressly understood that, upon this scheme becoming effective, there will be no issue and allotment of any securities by Resulting Company 1 in respect of demerger of Part III Demerged Undertakings. Further, there may be reduction in the value of investment held by Resulting Company 1 in Part III Demerged Companies, pursuant to Demerger 1.

11. ACCOUNTING TREATMENT

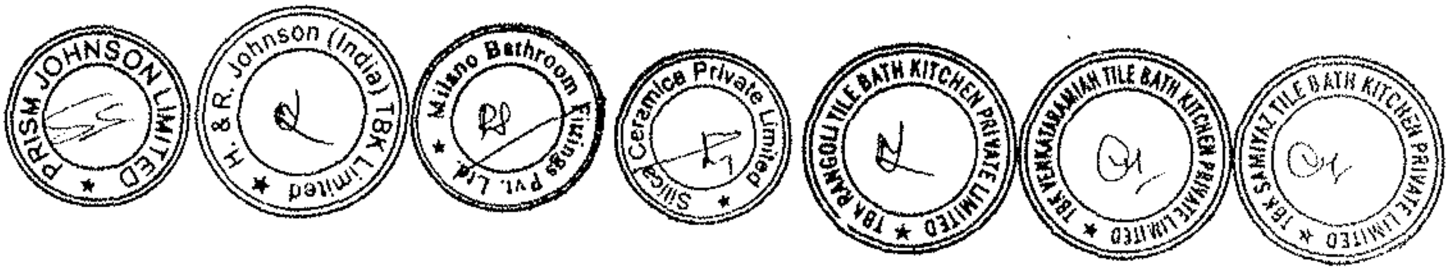
Upon the draft Scheme becoming effective, the Resulting Company 1 and Part III Demerged Companies shall account for Demerger 1 of the Part III Demerged Undertakings in their books of account in accordance with IND AS 103 - "Business Combination" and other IND AS as may be applicable or prescribed under the 2013 Act.

12. COMPLIANCE WITH SECTION 2(19AA) OF THE INCOME TAX ACT

The provision of this Scheme as they relate to the Demerger 1 complies with the conditions relating to "demerger" as defined and specified under section 2(19AA) of the Income Tax Act. If any terms or provisions or part of this Scheme are found or interpreted to be inconsistent with the provisions of section 2(19AA) of the Income Tax Act, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of section 2(19AA) of the Income Tax Act shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(19AA) of the Income Tax Act and such modifications shall not affect other parts of the Scheme.

13. DATE OF EFFECTIVENESS OF PART III OF THE SCHEME

This Part III of the Scheme shall come into effect from Effective Date.



PART IV – SUBSEQUENT DEMERGER OF PART IV DEMERGED UNDERTAKING OF PART IV DEMERGED COMPANYINTO RESULTING COMPANY 2

14. TRANSFER AND VESTING OF PART IV DEMERGED UNDERTAKING OF PART IV DEMERGED COMPANYINTO RESULTING COMPANY 2

14.1. Upon coming into effect of Part III of this Scheme and not otherwise, the 'Resulting Company 1' shall be referred as the 'Demerged Company 4' or 'Part IV Demerged Company' for the purpose of Part IV of this Scheme.

14.2. Upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, the Part IV Demerged Undertaking together with all their business and operations including all their assets and liabilities shall, pursuant to the provisions of Sections 230 to 232, and other relevant provisions of the 2013 Act, and in accordance with Section 2(19AA) of the Income Tax Act, without any further act, instrument or deed, be deemed to be demerged from Part IV Demerged Company and transferred to and vest in, or be deemed to be transferred to and vested in the Resulting Company 2, as a going concern on "as-is-where-basis", so as to become as and from the Appointed Date, the undertaking of the Resulting Company 2 by virtue of and in the manner provided in Part IV of this Scheme.

14.3. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme and with effect from the Appointed Date, in accordance with the provisions of Applicable Laws and the 2013 Act, all the consents, permissions, licenses, certificates, authorities (including for the operation of bank accounts), properties, claims, title, interest and authorities including accretions and appurtenances, powers of attorneys given by, issued to or executed in favour of Part IV Demerged Company, and the rights and benefits under the same shall, insofar as they relate to the Part IV Demerged Company and all quality certifications and approvals, trademarks, brand names, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other intellectual property and all other interests relating to the goods, services or any other assets being directly and exclusively dealt with by the Part IV Demerged Undertaking shall, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, shall stand transferred to and vested in the Resulting Company 2. In respect of all the movable assets of Part IV Demerged Company in so far as they pertain to the Part IV Demerged Undertaking and the other assets pertaining to Part IV Demerged Undertaking which are otherwise capable of transfer to the Resulting Company 2 shall be deemed to have been physically handed over by physical delivery or by endorsement and delivery or by constructive delivery, as the case may be, to the Resulting Company 2 to the end and intent that the property and benefit therein passes to the Resulting Company 2 with effect from the Appointed Datewithout requiring any deed or instrument of conveyance for transfer of the same. Such delivery and transfer shall be made on a date mutually agreed upon between the respective Board of Directors of Part IV Demerged Company and the Resulting Company 2 by way of delivery of possession of the respective documents, as a part of the transfer of the Part IV Demerged Undertaking as a going concern. In respect of any intangible moveable assets of Part IV Demerged Company pertaining to the Part IV Demerged Undertaking, other than those mentioned hereinabove, and actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be

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received and deposits with any Appropriate Authority and customers, the same shall on and from the Appointed Date stand transferred to and vested in the Resulting Company 2. The Resulting Company 2 may, issue notices in such form as the Resulting Company 2 may deem fit and proper stating that pursuant to the Scheme becoming effective, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Resulting Company 2, as the person entitled thereto, to the end and intent that the right of Part IV Demerged Company to recover or realize the same stands transferred to the Resulting Company 2 and that appropriate entries shall be passed in their respective books to record the aforesaid changes. It is hereby clarified that investments, if any, made by the Part IV Demerged Company pertaining to the Part IV Demerged Undertaking and all the right, title and interest pertaining to the Part IV Demerged Undertaking of the Part IV Demerged Company shall, pursuant to Section 232 of the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 2.

14.4. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all the various incentives, goods and services tax benefits, all tax holiday, deductions under the Income Tax Act, subsidies (including applications for subsidies), grants, special status and other benefits or privileges enjoyed, granted by any governmental body, local authority or by any other person, or availed of by Part IV Demerged Company are concerned, the same shall, without any further act or deed, in so far as they relate to the Part IV Demerged Undertaking, vest with and be available to the Resulting Company 2 on the same terms and conditions. All intangible assets including various business or commercial rights, etc., if any, belonging to but not recorded in books of Part IV Demerged Company pertaining to Part IV Demerged Undertaking, shall be transferred to and vested with Resulting Company 2.

14.5. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all debts and Liabilities of the Part IV Demerged Company pertaining to the Part IV Demerged Undertaking shall, pursuant to the applicable provisions of 2013 Act and the provisions of this Scheme and, without any further act or deed, become the debts and Liabilities of the Resulting Company 2, and Resulting Company 2 shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. For the avoidance of doubt, it is clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts and Liabilities have arisen in order to give effect to the provisions of this clause. The amounts of general or multipurpose borrowings, if any, of the Part IV Demerged Company will be apportioned on the basis of the proportion of the value of the assets transferred in Demerger 2 of Part IV Demerged Undertaking to the total value of the assets of the Part IV Demerged Company immediately before the Demerger 2.

14.6. Where any of the Liabilities of the Part IV Demerged Undertaking as on the Appointed Date deemed to be transferred to the Resulting Company 2 have been discharged by Part IV Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company 2.

14.7. All inter-se liabilities, between Part IV Demerged Company pertaining to Part IV Demerged Undertaking and Resulting Company 2, if any, due or outstanding or which

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may at any time immediately prior to the Effective Date become due or remain outstanding, shall stand cancelled and be deemed to have been discharged by such cancellation and consequently, there shall remain no inter-se liability between them as of Effective Date and corresponding effect shall be given in the books of account and records of Resulting Company 2.

14.8. It is expressly clarified that in case any question that may arise as to whether any particular asset or liability pertains or does not pertain to the Part IV Demerged Undertaking of the Part IV Demerged Company, or whether it arises out of the activities or operations of the Part IV Demerged Undertaking, the same shall be decided by mutual agreement between Board of Directors of the Part IV Demerged Company and that of Resulting Company 2.

14.9. The Demerger 2 and the transfer and vesting of the assets shall be subject to the Encumbrances, if any affecting the same as hereinafter provided:

(a) The Encumbrances or those, if any, in terms of this Scheme, over the assets comprised in Part IV Demerged Undertaking, or any part thereof transferred to the Resulting Company 2, shall after the Effective Date continue to relate and attach to such assets or any part thereof to which they are related or attached to, prior to the Effective Date and such Encumbrances shall not relate to or attach to any of the other assets of Resulting Company 2.

(b) In so far as any Encumbrances over the assets comprised in the Part IV Demerged Undertaking are security for Liabilities of the Remaining Business of Part IV Demerged Company, the same shall, on the Effective Date, without any further act, instrument or deed be modified to the extent that all such assets of the Part IV Demerged Undertaking, shall stand released and discharged from the obligations and security relating to the same and the Encumbrances shall only extend to and continue to operate against the assets retained with Part IV Demerged Company and shall cease to operate against any of the assets transferred to the Resulting Company 2. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.

(c) Any reference in any security documents or arrangements (to which the Part IV Demerged Company is a party) to the Part IV Demerged Company and its assets and properties, shall be construed as a reference to the Resulting Company 2 and the assets and properties of the Part IV Demerged Company transferred to the Resulting Company 2 pursuant to Part IV of this Scheme.

(d) In so far as any Encumbrances over the assets comprised in the Remaining Business of Part IV Demerged Company are security for the Liabilities of Part IV Demerged Undertaking, the same shall, on the Effective Date, without any further act, instrument or deed be modified to the extent that all such assets shall stand released and discharged from the obligations and security relating to the same. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.

(e) Without prejudice to the provisions of the foregoing clauses, upon the Scheme becoming effective, Part IV Demerged Company and the Resulting Company 2 shall execute appropriate deeds of confirmations, all instruments or documents or do all the acts and deeds as may be required, with any party to any contract or arrangement in relation to Part IV Demerged Undertaking, including the filing of necessary particulars and/or modifications of charge with the Registrar of Companies, to give formal effect to the above provisions, if required. The Resulting Company 2 shall, under the provisions hereof, be deemed to be authorised to execute any such writings in the name of and on behalf of the Part IV Demerged Company in relation to the Part IV Demerged Undertaking and to carry out or perform all such formalities or compliances referred to above on the part of the Part IV Demerged Company *inter alia* in its capacity as the successor-in-interest of the Part IV Demerged Company in relation to the Part IV Demerged Undertaking.

(f) Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of Clause 14 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

14.10. It is hereby clarified that the rest of the assets and Liabilities (other than those forming part of the Part IV Demerged Undertaking or otherwise specified in this Scheme) of Part IV Demerged Company shall continue in Part IV Demerged Company.

14.11. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of Part IV Demerged Company pertaining to the Part IV Demerged Undertaking after the Effective Date shall be accepted by the bankers of the Resulting Company 2 and credited to the account of the Resulting Company 2, if presented by the Resulting Company 2. Similarly, the banker of the Resulting Company 2 shall honour all cheques issued by Part IV Demerged Company pertaining to the Part IV Demerged Undertaking for payment after the Effective Date. If required, Part IV Demerged Company shall allow maintaining of bank accounts in its name by the Resulting Company 2 for such time as may be determined to be necessary by Part IV Demerged Company and the Resulting Company 2 for presentation and deposition of cheques and pay orders that have been issued in the name of Part IV Demerged Company in connection with the business of Part IV Demerged Undertaking.

14.12. It is clarified that if any assets (claims, rights, title, interest in, or authorities relating to such assets) or liabilities or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever in relation to Part IV Demerged Undertaking which Part IV Demerged Company owns or to which Part IV Demerged Company is a party and which cannot be transferred to the Resulting Company 2 for any reason whatsoever, Part IV Demerged Company shall hold such assets or contract, deeds, bonds, liabilities, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the Resulting Company 2 to which the Part IV Demerged Undertaking is being transferred in terms of this Scheme, in so far as it is permissible so to do, till such time as the transfer is effected.

14.13. All necessary records, files, papers, technical and process information, all product and service pricing, costing, commercial and business related information, computer program, drawings and designs, procedure and other manuals, training materials, prospect lists,

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data, catalogues, quotations, sales and advertising materials, financing and serving related forms, lists and all details of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form in connection with or relating to the Part IV Demerged Undertaking shall be transferred to the Resulting Company 2;

14.14. All statutory rights and obligations pertaining to Part IV Demerged Undertaking would vest in/accrue to Resulting Company 2. Hence, obligation pertaining to Part IV Demerged Undertaking, prior to the Effective Date, to issue or receive any statutory declaration or any other forms by whatever name called, under the Goods and Service Tax Act or any other act for the time being in force, would be deemed to have been fulfilled if they are issued or received by Part IV Demerged Company and if any form relatable to the period prior to the said Effective Date is received in the name of Part IV Demerged Company, it would be deemed to have been received by Resulting Company 2 in fulfilment of their obligations.

15. LEGAL PROCEEDINGS

15.1. All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitrations, execution proceedings, revisions, writ petitions, if any) by or against the Part IV Demerged Company shall not abate, be discontinued or be in any way prejudicially affected by reason of the demerger or anything contained in this Scheme but the said proceedings, shall, till the Effective Date be continued, prosecuted and enforced by or against the Part IV Demerged Company, as if this Scheme had not been made.

15.2. With effect from the Effective Date, all Legal Proceedings by or against Part IV Demerged Company relating to the Part IV Demerged Undertaking respectively under any statute, whether pending on the Appointed Date or which may be instituted anytime thereafter, shall be continued and enforced by or against the Resulting Company 2 after the Effective Date, to the extent legally permissible. To the extent the Legal Proceedings cannot be taken over by the Resulting Company 2, the Legal Proceedings shall be pursued by or against the Part IV Demerged Company as per the instructions of and entirely at the costs and expenses of the Resulting Company 2. In the event that such liability is incurred or such claim or demand is made upon Part IV Demerged Company (or any successor thereof) pertaining to the Part IV Demerged Undertaking, then the Resulting Company 2 shall reimburse and indemnify Part IV Demerged Company (or any successor thereof) for any payments made in relation to the same.

15.3. Upon the coming into effect of this Scheme, any Legal Proceedings by or against Part IV Demerged Company under any statute, whether or not pending on the Appointed Date, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business of Part IV Demerged Company (including those relating to any property, right, power or Liabilities of Part IV Demerged Company in respect of the Remaining Business of Part IV Demerged Company) shall be continued and enforced by or against Part IV Demerged Company. The Resulting Company 2 shall in no event be responsible or liable for or in relation to any such Legal Proceeding by or against Part IV Demerged Company.

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15.4. The Resulting Company 2 undertakes to have accepted on behalf of itself, all suits, claims, actions and Legal Proceedings initiated pertaining to the Part IV Demerged Undertaking, transferred to its name and to have the same continued, prosecuted and enforced by or against the Resulting Company 2.

16. CONTRACTS, LICENSES, APPROVALS AND PERMITS

16.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, all leases, licenses, guarantees, approvals, permissions, registrations, consents or permits, whether governmental or otherwise, contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Part IV Demerged Undertaking to which Part IV Demerged Company respectively is a party or to the benefit of which Part IV Demerged Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour of, as the case may be, vest in the Resulting Company 2, and may be enforced as fully and effectually as if, instead of Part IV Demerged Company, the Resulting Company 2 had been a party or beneficiary or obliged thereto. For the avoidance of doubt, it is clarified that if the consent of any third party or authority is required to give effect to the provisions of this clause, the said third party or authority shall be obligated to, and shall make and duly record the necessary substitution / endorsement in the name of the Resulting Company 2 pursuant to the Scheme becoming effective in accordance with the terms hereof. For this purpose, the Resulting Company 2 shall file appropriate applications / documents / intimations with relevant authorities concerned for the information and record purposes.

16.2. Any inter-se contracts between the Resulting Company 2 and the Part IV Demerged Company pertaining to Part IV Demerged Undertaking shall stand cancelled and cease to operate upon the Scheme becoming effective.

16.3. All guarantees provided by any bank in relation to the Part IV Demerged Undertaking of the Part IV Demerged Company outstanding as on the Effective Date, shall vest in the Resulting Company 2 and shall ensure to the benefit of the Resulting Company 2 and all guarantees issued by the bankers of the Part IV Demerged Company in relation to the Part IV Demerged Undertaking at their request favouring any third party shall be deemed to have been issued at the request of the Resulting Company 2 and continue in favour of such third party till its maturity or earlier termination.

16.4. It is hereby clarified that if any licenses, approvals, permits, contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Part IV Demerged Undertaking to which Part IV Demerged Company is a party to, cannot be transferred to the Resulting Company 2 for any reason whatsoever, Part IV Demerged Company shall hold such licenses, approvals, permits, contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company 2, in so far as it is permissible so to do till such time as the transfer is affected.

16.5. Benefits of any and all corporate approvals as may have already been taken by the Part IV Demerged Company in connection with the Part IV Demerged Undertaking shall stand transferred to the Resulting Company 2 and the said corporate approvals and compliances

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shall be deemed to have been taken/ complied with by the Resulting Company 2.

16.6. The Resulting Company 2 shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer / obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences and certificates which were held or enjoyed by the Part IV Demerged Company in connection with the Part IV Demerged Undertaking. For the avoidance of doubts, it is clarified that if the consent of any third party or Governmental Authority, if any, is required to give effect to the provisions of this clause, the said third party or Governmental Authority shall make and duly record the necessary substitution / endorsement in the name of the Resulting Company 2 pursuant to the Scheme becoming effective. The Resulting Company 2 shall file appropriate applications / documents with the relevant authorities concerned for information and record purposes and the Resulting Company 2 shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Part IV Demerged Company insofar as the same are in connection with the Part IV Demerged Undertaking and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

16.7. In relation to the above, any procedural requirements required to be fulfilled solely by Part IV Demerged Company (and not by its successors) insofar as the same are in connection with the Part IV Demerged Undertaking, shall be fulfilled by Resulting Company 2 as if it is the duly constituted attorney of Part IV Demerged Company.

17. TREATMENT OF TAXES

17.1. All taxes (including income tax, advance tax, minimum alternate tax and credits, securities transaction tax, self-assessment tax, sales tax, service tax, goods and services tax, etc.) including interest, penalty, surcharge and cess, if any paid or payable by or refundable to Part IV Demerged Company, in respect of the operations and / or the profits of the Part IV Demerged Undertaking before the Appointed Date, shall be on account of Part IV Demerged Company, and insofar as it relates to the tax payment (including, without limitation, sales tax, income tax, service tax, goods and services tax etc.), whether by way of deduction or collection at source, advance tax or otherwise howsoever, by Part IV Demerged Company in respect of the profits or activities or operation of the Part IV Demerged Undertaking after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Resulting Company 2, and shall, in all proceedings, be dealt with accordingly. It is hereby clarified that MAT Credit entitlement of Part IV Demerged Company pertaining to Part IV Demerged Undertaking under section 115JB read with section 115JAA of IT Act as on Appointed Date shall also get transferred to Resulting Company 2 upon Demerger 2.

17.2. Without prejudice to the generality of the foregoing, on and from the Appointed Date, if any certificate for tax deducted or collected at source or any other tax credit certificate relating to the Part IV Demerged Undertaking is received in the name of Part IV Demerged Company respectively, or tax credit relating to the Part IV Demerged Undertaking is appearing in Form 26AS of the Part IV Demerged Company, it shall be deemed to have been received by and in the name of the Resulting Company 2 which alone shall be entitled to claim credit for such tax deducted or paid.

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17.3. Upon the coming into effect of this Scheme, Part IV Demerged Company and the Resulting Company 2 are expressly permitted to file / revise / reopen their respective tax returns / computation of total income after giving effect of Demerger 2 electronically and if the electronic filing is not enabled in the official website of the income tax department, it can be filed manually before the income tax authorities holding jurisdiction over the Part IV Demerged Company and the Resulting Company 2 even if the time limit prescribed for filing revised return of income / computation of total income, as applicable, has lapsed and/or assessment proceedings has been completed and no further approval for filing revised return / revised computation of total income after giving effect of the Demerger 2 shall be required from CBDT or any other Appropriate Authority and also revise related withholding tax certificates, including withholding tax certificates relating to transactions between Part IV Demerged Company and the Resulting Company 2, to the extent required and to claim refunds, advance tax and withholding tax credits, and benefit of credit for minimum alternate tax, or tax related deductions, or any other tax related compliances or filings of forms.

17.4. The goods and services tax paid by Part IV Demerged Company in respect of goods &services provided by the Part IV Demerged Undertaking for the period commencing from the Appointed Date shall be deemed to be the goods and services tax paid by the Resulting Company 2, and credit for such goods and services tax shall be allowed to the Resulting Company 2 notwithstanding that challans for goods and services tax payments are in the name of Part IV Demerged Company and not in the name of the Resulting Company 2.

17.5. Upon the coming into effect of this Scheme and as per the provisions of section 72A and other applicable provisions of the IT Act, all accumulated losses and unabsorbed depreciation, if any, of the Part IV Demerged Company pertaining to the Part IV Demerged Undertaking (including all accumulated losses and unabsorbed depreciation pertaining to Part III Demerged Companies vested in Part IV Demerged Company upon Demerger 1) shall be transferred to the Resulting Company 2. It is expressly clarified that all the accumulated losses and unabsorbed depreciation as are transferred, shall be eligible to be carried forward and set off in the hands of the Resulting Company 2.

18. EMPLOYEES

18.1. All the employees of Part IV Demerged Company who are exclusively part of the Part IV Demerged Undertaking and those employees as the board of directors may determine shall stand transferred to the Resulting Company 2 on Effective Date on terms and conditions, which as a result, shall not be less favourable than the terms and conditions of employment offered by Part IV Demerged Company (including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and / or any other retirement benefits) without any interruption in service as a result of transfer of the Part IV Demerged Undertaking to the Resulting Company 2 and without any further act, deed or instrument on the part of Part IV Demerged Company or the Resulting Company 2.

18.2. Upon the Scheme becoming effective, part IV Demerged Company will transfer/handover

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to Resulting Company 2, copies of employment information of all such transferred employees of Part IV Demerged Company, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.

18.3. The Resulting Company 2 agrees that the services of all such employees (as mentioned in Clause 18.1 above) with Part IV Demerged Company prior to the transfer, as aforesaid, shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity fund plans, provident fund plans, superannuation fund plans and any other retirement benefits and accordingly, shall be reckoned therefore from the date of their respective appointment in Part IV Demerged Company who were part of the Part IV Demerged Undertaking respectively.

18.4. The existing provident fund, superannuation and gratuity fund, incentives, if any, of which the aforesaid employees of Part IV Demerged Company, who are part of the Part IV Demerged Undertaking, are members or beneficiaries, along with all accumulated contributions therein till the Effective Date, shall, with the approval of the concerned authorities, be transferred to and continued without any break, to be administered by the Resulting Company 2 or as may be created by the Resulting Company 2 for the benefit of such employees on the same terms and conditions. All benefits and schemes being provided to the transferred employees will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes. Accordingly, the provident fund, superannuation fund and gratuity fund dues, if any, of the said employees of Part IV Demerged Company, would be continued to be deposited in the transferred provident fund, superannuation fund and gratuity fund account by the Resulting Company 2. In case necessary approvals are not received or the respective funds are not created by the Effective Date and there is delay, all such amounts shall continue to be administered by Part IV Demerged Company as a trustee from the Effective Date till the date of actual transfer and on receiving the approvals, all the accumulated amounts till such date, shall be transferred to the respective funds of the Resulting Company 2 in accordance with the approvals that have been obtained.

19. SAVING OF CONCLUDED TRANSACTIONS

The demerger and vesting of the assets and Liabilities of the Part IV Demerged Undertaking as per this Scheme, and the continuance of the Legal Proceedings by or against the Resulting Company 2 shall not affect any transaction or proceedings already completed by the Part IV Demerged Undertaking on or after the Appointed Date but before the Effective Date, to the end and intent that the Resulting Company 2 accepts all acts, deeds and things done and executed by and / or on behalf as acts, deeds and things done and executed by and on behalf of the Resulting Company 2.

20. CONDUCT OF BUSINESS OF THE PART IV DEMERGED UNDERTAKING OF PART IV DEMERGED COMPANY UNTIL THE EFFECTIVE DATE

20.1. With effect from the Appointed Date and up to and including the Effective Date, Part IV Demerged Company shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Part IV Demerged Undertaking for and on account of and in trust for the Resulting Company 2.

20.2. All profits or income accruing or arising to Part IV Demerged Company or losses including tax losses, or expenditure arising or incurred by Part IV Demerged Company in relation to the Part IV Demerged Undertaking respectively for the period commencing from the Appointed Date to the Effective Date shall, for all purposes, be treated as profit, income, loss or expenditure, as the case may be, of the Resulting Company 2.

20.3. All assets acquired by Part IV Demerged Company on or after the Appointed Date and prior to the Effective Date for operation of the Part IV Demerged Undertaking or pertaining to the Part IV Demerged Undertaking shall be deemed to have been acquired in trust for and on behalf of the Resulting Company 2, and shall also stand transferred to and vested in the Resulting Company 2 upon the coming into effect of this Scheme.

20.4. Where any of the liabilities and obligations of Part IV Demerged Company as on the Appointed Date deemed to be transferred to the Resulting Company 2 have been discharged by Part IV Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company 2, and all loans raised and used and all liabilities and obligations incurred by Part IV Demerged Company for the operations of the Part IV Demerged Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Resulting Company 2, and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Resulting Company 2 and shall become the liabilities and obligations of the Resulting Company 2 , which shall be liable to meet, discharge and satisfy the same.

20.5. All taxes, where applicable, (including but not limited to advance income tax, tax deducted at source, minimum alternate tax, banking cash transaction tax, tax collected at source, taxes withheld/paid in a foreign country, customs duty, goods and service tax, as applicable, cess, tax refunds) payable by or refundable to Part IV Demerged Company pertaining to the Part IV Demerged Undertaking including all or any tax refunds or tax liabilities or tax claims arising from pending tax proceedings, under Applicable Law, on or before the Effective Date, shall be treated as or deemed to be treated as the tax liability or tax refunds/ tax claims (whether or not recorded in the books of Part IV Demerged Company) as the case may be, of Resulting Company 2, and any unabsorbed tax losses and depreciation as would have been available to Part IV Demerged Company shall be available to Resulting Company 2 upon the Scheme becoming effective.

20.6. Part IV Demerged Company hereby confirms that it shall continue, from the date of approval of the Scheme by the Board of Part IV Demerged Company and up to the Effective Date, to preserve and carry on the Part IV Demerged Undertaking with due diligence and prudence.

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20.7. Subject to the terms of the Scheme, the transfer and vesting of the Part IV Demerged Undertaking as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded on or with effect from the Appointed Date as applicable till the Effective Date.

21. CONSIDERATION

As the entire share capital of Part IV Demerged Company is held by Resulting Company 2 along with its nominees, it is expressly understood that, upon this scheme becoming effective, there will be no issue and allotment of any securities by Resulting Company 2 in respect of demerger of Part IV Demerged Undertaking. Further, there may be reduction in the value of investment held by Resulting Company 2 in Part IV Demerged Company, pursuant to Demerger 2.

22. ACCOUNTING TREATMENT

Upon the draft Scheme becoming effective, the Resulting Company 2 and Part IV Demerged Company shall account for Demerger 2 of the Part IV Demerged Undertaking in their books of account in accordance with IND AS103 - "Business Combination" and other IND AS as may be applicable or prescribed under the 2013 Act.

23. COMPLIANCE WITH SECTION 2(19AA) OF THE INCOME TAX ACT

The provision of this Scheme as they relate to the Demerger 2 complies with the conditions relating to "demerger" as defined and specified under section 2(19AA) of the Income Tax Act. If any terms or provisions or part of this Scheme are found or interpreted to be inconsistent with the provisions of section 2(19AA) of the Income Tax Act, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of section 2(19AA) of the Income Tax Act shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(19AA) of the Income Tax Act and such modifications shall not affect other parts of the Scheme.

24. DATE OF EFFECTIVENESS OF PART IV OF THE SCHEME

This Part IV of the Scheme shall come into effect from the Effective Date.

PART V – REDUCTION OF SHARE CAPITAL

25. REDUCTION OF SHARE CAPITAL TO BE UNDERTAKEN BY SILICA

25.1. As on the Appointed Date, the balance in securities premium account of Silica is INR 1,51,38,02,000/- (One hundred fifty one crores thirty eight lakhs two thousand rupees). Subject to the terms and conditions contained herein, all requisite approvals being obtained and in accordance with the provisions of Section 230 & 232 read with Section 52 and other applicable provisions of the 2013 Act, upon the Scheme becoming effective, pursuant to NCLT sanctioned order, the balance in securities premium account of Silica shall stand reduced by INR 1,51,38,02,000/- (One hundred fifty one crores thirty eight lakhs two thousand rupees).

25.2. The above reduction in the securities premium account shall be effected by offsetting the debit balance of retained earnings in the books of Silica in accordance with the Part V of this Scheme as an integral part of the Scheme.

25.3. Upon the Scheme becoming effective, the reduction of securities premium account shall be effected as an integral part of the Scheme, in accordance with the applicable provisions of the 2013 Act, and rules and regulations framed thereunder.

25.4. The order of the competent authority sanctioning this scheme shall also be deemed to be orders passed under Section 66 of the 2013 Act for the purpose of confirming the reduction. Notwithstanding the reduction in the securities premium, Silica shall not be required to add "And Reduced" as suffix to its name. The reduction in the securities premium account shall be effected as an integral part of the Scheme and in accordance with the applicable provisions of the 2013 Act and rules and regulations framed thereunder without any further act or deed on the part of Amalgamating Company 2.

25.5. The consent of shareholders of Amalgamating Company 2 to the Scheme by way of special resolution and the consent of the secured and unsecured creditors of the Amalgamating Company 2 shall be deemed to be sufficient for the purpose of effecting Part V of the Scheme and no further resolution or action under any other provisions of the 2013 Act and rules and regulations framed thereunder would be required to be separately passed or taken.

25.6. The reduction of the securities premium account of Amalgamating Company 2 in terms of this Scheme shall be given effect prior to giving effect to Amalgamation in terms of Part VI of this Scheme.

PART VI – SUBSEQUENT AMALGAMATION OF AMALGAMATING COMPANY 1 & AMALGAMATING COMPANY 2 WITH AMALGAMATED COMPANY

26. TRANSFER AND VESTING OF AMALGAMATING COMPANIES INTO AMALGAMATED COMPANY

26.1. Upon coming into effect of Part IV of this Scheme and not otherwise, the 'Resulting Company 2' shall be referred as the 'Amalgamated Company' for the purpose of Part VI of this Scheme.

26.2. Upon the Scheme becoming effective with effect from the Appointed Date and subject to the provisions of this Scheme and pursuant to Sections 230 to 232 of the 2013 Act and other applicable provisions of the 2013 Act, and in accordance with Section 2(1B) of the Income Tax Act, the assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc, of Amalgamating Companies shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred and vested in the Amalgamated Company, so as to become as and from the Appointed Date, the assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc, as a going concern "as-is-where-basis", by virtue of and in manner as provided in the Part VI of this Scheme.

26.3. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme becoming effective with effect from the Appointed Date, and in accordance with the provisions of all applicable Laws and the 2013 Act, all the consents, permissions, licenses, certificates, authorities (including for the operation of bank accounts), properties, claims, title, interest and authorities including accretions and appurtenances, powers of attorneys given by, issued to or executed in favour of Amalgamating Companies, and the rights and benefits under the same shall, insofar as they relate to the Amalgamating Companies and all quality certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other intellectual property and all other interests relating to the goods, services or any other assets being directly and exclusively dealt with by the Amalgamating Companies shall, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, shall stand transferred to and vested in the Amalgamated Company. In respect of all the movable assets and the other assets of Amalgamating Companies which are otherwise capable of transfer to the Amalgamated Company shall be deemed to have been physically handed over by physical delivery or by endorsement and delivery or by constructive delivery, as the case may be, to the Amalgamated Company to the end and intent that the property and benefit therein passes to the Amalgamated Company with effect from the Appointed Date without requiring any deed or instrument of conveyance for transfer of the same. Such delivery and transfer shall be made on a date mutually agreed upon between the respective Board of Directors of Amalgamating Companies and the Amalgamated Company by way of delivery of possession of the respective documents, as a part of the transfer of the Amalgamating Companies as a going concern. In respect of any intangible moveable assets of Amalgamating Companies, other than those mentioned hereinabove, and actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with any Appropriate Authority and customers, the same shall on and from the Appointed Date stand transferred to and vested

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in the Amalgamated Company. The Amalgamated Company may, issue notices in such form as may deem fit and proper stating that pursuant to the Scheme becoming effective, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Amalgamated Company, as the person entitled thereto, to the end and intent that the right of Amalgamating Companies to recover or realize the same stands transferred to the Amalgamated Company and that appropriate entries shall be passed in their respective books to record the aforesaid changes.

26.4. Upon coming into effect of this Scheme and with effect from the Appointed Date, all the various incentives (including benefit available under section 80IB of IT Act), service tax benefits, good and services tax benefits, all tax holiday, deductions under the Income Tax Act, subsidies (including applications for subsidies), grants, special status and other benefits or privileges enjoyed, granted by any governmental body, local authority or by any other person, or availed of by Amalgamating Companies are concerned, the same shall, without any further act or deed, vest with and be available to the Amalgamated Company on the same terms and conditions. All intangible assets including various business or commercial rights, etc., if any, belonging to but not recorded in books of Amalgamating Companies pertaining to Amalgamating Companies, shall be transferred to and vested with Amalgamated Company.

26.5. all immovable properties of Amalgamating Companies, including land together with the buildings and structures standing thereon or under construction and rights and interests in immovable properties of Amalgamating Companies, (whether freehold or leasehold, leave and licensed or otherwise) including any tenancies in relation to warehouses, office space, guest houses and residential premises including those provided to/occupied by the employees of Amalgamating Companies, all plant and machineries constructed on or embedded or attached to any such immovable properties, all rights, covenants, continuing rights, title and interest in connection with the said immovable properties, and all documents of title, rights and easements in relation thereto shall upon the Scheme becoming effective, stand transferred to and be vested in and be deemed to have been transferred to and vested in Amalgamated Company, without any further act or deed done/executed or being required to be done/executed by Amalgamating Companies / Amalgamated Company. Amalgamated Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation of the ownership or title, or interest in the immovable properties shall, upon the Scheme becoming effective, be made and duly recorded in the name of Amalgamated Company by the appropriate authorities pursuant to the sanction of the Scheme by the NCLT in accordance with the terms hereof.

26.6. all lease and/or license or rent agreements entered into by Amalgamating Companies with various landlords, owners and lessors in connection with the use of the assets of Amalgamating Companies, together with security deposits and advance/prepaid lease/license fee, etc., shall stand automatically transferred and vested in favour of Amalgamated Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. Amalgamated Company shall continue to pay rent or lease or license fee as provided for in such agreements, and Amalgamated Company and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants there-under. Without limiting the generality of the foregoing, Amalgamated Company shall also be entitled to refund of security deposits paid under such agreements by Amalgamating Companies. All the rights, title, interest and claims of Amalgamating Companies in any leasehold properties, of Amalgamating Companies shall, pursuant to Section 232 of the 2013 Act, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in Amalgamated Company.

26.7. All the Liabilities of Amalgamating Companies as on the Appointed Date shall also stand transferred to and vested in or be deemed to have been transferred to and vested in the Amalgamated Company on a going concern basis, without any further act or deed pursuant to Section 232(3) of the 2013 Act, so as to become the Liabilities of the Amalgamated Company on the same terms and conditions as were applicable to Amalgamating Companies respectively.

26.8. Where any of the Liabilities and obligations of Amalgamating Companies as on the Appointed Date deemed to be transferred to the Amalgamated Company have been discharged by Amalgamating Companies after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Amalgamated Company.

26.9. The transfer and vesting of the assets shall be subject to the Encumbrances, if any affecting the same as hereinafter provided:

(a) The Encumbrances or those, if any, in terms of this Scheme, over the assets comprised in Amalgamating Companies, or any part thereof transferred to the Amalgamated Company, shall after the Effective Date continue to relate and attach to such assets or any part thereof to which they are related or attached to, prior to the Effective Date and such Encumbrances shall not relate to or attach to any of the other assets of Amalgamated Company.

(b) Without prejudice to the foregoing provisions, Amalgamated Company may execute any instruments or documents or do all such acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

(c) Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of Clause 26 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

26.10. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of Amalgamating Companies after the Effective Date shall be accepted by the bankers of the Amalgamated Company and credited to the account of the Amalgamated Company, if presented by the Amalgamated Company. Similarly, the banker of the Amalgamated Company shall honour all cheques issued by Amalgamating Companies respectively, presented for payment after the Effective Date. If required, Amalgamating Companies shall allow maintaining of bank accounts in its name by the

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Amalgamated Company for such time as may be determined to be necessary by Amalgamating Companies and the Amalgamated Company for presentation and deposition of cheques and pay orders that have been issued in the name of Amalgamating Companies.

26.11. All necessary records, files, papers, technical and process information, all product and service pricing, costing, commercial and business related information, computer program, drawings and designs, procedure and other manuals, training materials, prospect lists, data, catalogues, quotations, sales and advertising materials, financing and serving related forms, lists and all details of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form of the Amalgamating Companies shall be transferred to and handed over to the Amalgamated Company;

26.12. All statutory rights and obligations pertaining to Amalgamating Companies would vest in/accrue to Amalgamated Company. Hence, obligation pertaining to Amalgamating Companies, prior to the Effective Date, to issue or receive any statutory declaration or any other forms by whatever name called, under Goods and Service Tax Acts or any other act for the time being in force, would be deemed to have been fulfilled if they are issued or received by Amalgamating Companies and if any form relatable to the period prior to the said Effective Date is received in the name of Amalgamating Companies, it would be deemed to have been received by Amalgamated Company in fulfilment of their obligations.

27. LEGAL PROCEEDINGS

27.1. All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitrations, execution proceedings, revisions, writ petitions, if any) by or against the Amalgamating Companies shall not abate, be discontinued or be in any way prejudicially affected by reason of the Amalgamation or anything contained in this Scheme but the said proceedings, shall, till the Effective Date be continued, prosecuted and enforced by or against the Amalgamating Companies, as if this Scheme had not been made.

27.2. Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Amalgamating Companies, whether pending and/or arising on or before the Effective Date shall be continued and / or enforced by or against the Amalgamated Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Amalgamated Company.

27.3. The Amalgamated Company undertakes to have all suits, claims, actions and Legal Proceedings initiated by or against the Amalgamating Companies transferred to its name and to have the same continued, prosecuted, enforced and defended by or against the Amalgamated Company.

28. CONTRACTS, LICENSES, APPROVALS AND PERMITS

28.1. Upon the coming into effect of the Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature, to which the Amalgamating Companies is a party or to the benefit of which the Amalgamating Companies may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue to be in full force and effect on or against or in favour, as the case may be, of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Companies, the Amalgamated Company had been a party or beneficiary or oblige thereto or thereunder.All such property and rights shall stand vested in Amalgamated Company pursuant to section 232 of the 2013 Act and shall be deemed to have become the property and rights of Amalgamated Company whether the same is implemented by endorsement or delivery and possession or in any other manner.

28.2. Any inter-se contracts between the Amalgamated Company and the Amalgamating Companies respectively shall stand cancelled and cease to operate upon this Part VI of the Scheme becoming effective.

28.3. All guarantees provided by any bank in relation to the Amalgamating Companies outstanding as on the Effective Date, shall vest in the Amalgamated Company and shall ensure to the benefit of the Amalgamated Company and all guarantees issued by the bankers of the Amalgamating Companies at their request favouring any third party shall be deemed to have been issued at the request of the Amalgamated Company and continue in favour of such third party till its maturity or earlier termination.

28.4. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Amalgamating Companies occurs by virtue of this Scheme itself, the Amalgamated Company may, at any time after the coming into effect of the Scheme, in accordance with the provisions, if so required under Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Amalgamating Companies is a party, or any writings as may be necessary, in order to give formal effect to the provisions of this Scheme. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Companies and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Companies to be carried out or performed.

28.5. Benefits of any and all corporate approvals as may have already been taken by the Amalgamating Companies shall stand transferred to the Amalgamated Company and the said corporate approvals and compliances shall be deemed to have been taken/ complied with by the Amalgamated Company.

28.6. The Amalgamated Company shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer / obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences and certificates which were held or enjoyed by the Amalgamating Companies. For the avoidance of doubts, it is clarified that if the consent of any third party or Governmental Authority, if any, is required to give effect to the provisions of this clause, the said third party or Governmental Authority shall make and duly record the necessary substitution / endorsement in the name of the Amalgamated Company pursuant to the

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Scheme becoming effective, and upon this Scheme becoming effective. The Amalgamated Company shall file appropriate applications / documents with the relevant authorities concerned for information and record purposes and the Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Companies and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

28.7. In relation to the above, any procedural requirements required to be fulfilled solely by Amalgamating Companies (and not by its successors), shall be fulfilled by Amalgamated Company as if it is the duly constituted attorney of Amalgamating Companies.

29. TREATMENT OF TAXES

29.1. All taxes (including income tax, advance tax, minimum alternate tax and credits, securities transaction tax, self-assessment tax, sales tax, service tax, goods and service tax, etc.) including interest, penalty, surcharge and cess, if any paid or payable by or refundable to Amalgamating Companies, in respect of the operations and / or the profits of the Amalgamating Companies before the Appointed Date, shall be on account of Amalgamating Companies, and insofar as it relates to the tax payment (including, without limitation, sales tax, income tax, goods and services tax etc.), whether by way of deduction or collection at source, advance tax or otherwise howsoever, by Amalgamating Companies after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Amalgamated Company, and shall, in all proceedings, be dealt with accordingly. It is hereby clarified that MAT Credit entitlement of Amalgamating Companies under section 115JB read with section 115JAA of IT Act as on Appointed Date shall also get transferred to Amalgamated Company.

29.2. Without prejudice to the generality of the foregoing, on and from the Appointed Date, if any certificate for tax deducted or collected at source or any other tax credit certificate relating to the Amalgamating Companies is received in the name of Amalgamating Companies respectively, or tax credit relating to the Amalgamating Companies is appearing in Form 26AS of the Amalgamating Companies, it shall be deemed to have been received by and in the name of the Amalgamated Company which alone shall be entitled to claim credit for such tax deducted or paid.

29.3. Upon the coming into effect of this Scheme, Amalgamating Companies and the Amalgamated Company are expressly permitted to file/ revise/ reopen their respective tax returns / computation of total income after giving effect of Amalgamation electronically and if the electronic filing is not enabled in the official website of the income tax department, it can be filed manually before the income tax authorities holding jurisdiction over the Amalgamating Companies and the Amalgamated Company even if the time limit prescribed for filing revised return of income / computation of total income, as applicable has lapsed and/or assessment proceedings has been completed and no further approval for filing revised return / revised computation of total income after giving effect of the Amalgamation shall be required from CBDT or any other Appropriate Authority and also revise related withholding tax certificates, including withholding tax certificates relating to transactions between Amalgamating Companies and the Amalgamated Company, to the extent required and to claim refunds, advance tax and withholding tax credits, and benefit of credit for minimum alternate tax, or tax related deductions, or any other tax related compliances or filings of forms.

29.4. The goods and services tax paid by Amalgamating Companies for the period commencing from the Appointed Date shall be deemed to be the goods and services tax paid by the Amalgamated Company, and credit for such goods and services tax shall be allowed to the Amalgamated Company notwithstanding that challans for goods and services tax payments are in the name of Amalgamating Companies and not in the name of the Amalgamated Company.

29.5. Upon the coming into effect of this Scheme and as per the provisions of section 72A and other applicable provisions of the IT Act, all accumulated losses and unabsorbed depreciation, if any, of the Amalgamating Companies shall be transferred to the Amalgamated Company. It is expressly clarified that all the accumulated losses and unabsorbed depreciation as are transferred, shall be eligible to be carried forward and set off in the hands of the Amalgamated Company.

30. EMPLOYEES

30.1. Upon the coming into effect of this Scheme, all permanent employees and interns/trainees, if any, as on the Effective Date, who are on the payrolls of the Amalgamating Companies, shall become employees of the Amalgamated Company with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Amalgamating Companies, without any interruption of service as a result of this Amalgamation and transfer.

30.2. The Amalgamated Company undertakes that for the purpose of payment of any retrenchment compensation and other terminal benefits to the employees of the Amalgamating Companies, the past services of such employees with the Amalgamating Companies or their predecessors shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable.

30.3. Upon the Scheme becoming effective, the Amalgamating Companies will transfer/handover to Amalgamated Company, copies of employment information of all such transferred employees of Amalgamating Companies, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.

30.4. The existing provident fund, superannuation and gratuity fund, incentives, if any, of which the aforesaid employees of Amalgamating Companies, are members or beneficiaries, along with all accumulated contributions therein till the Effective Date, shall, with the approval of the concerned authorities, be transferred to and continued without any break, to be administered by the Amalgamated Company or as may be created by the Amalgamated Company for the benefit of such employees on the same terms and conditions. All benefits and schemes being provided to the transferred employees will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes. Accordingly, the provident fund, superannuation fund and gratuity fund dues, if any, of the said employees of Amalgamating Companies, would be continued to be deposited in the transferred provident fund, superannuation fund and gratuity fund account by the Amalgamated Company. In case necessary approvals are not received or the respective funds are not created by the Effective Date and there is delay, all such amounts shall continue to be administered by Amalgamating Companies as a trustee from the Effective Date till the date of actual transfer and on receiving the approvals, all the accumulated amounts till such date, shall be transferred to the respective funds of the Amalgamated Company in accordance with the approvals that have been obtained.

30.5. The contributions made by Amalgamating Companies in respect of their employees under Applicable Law, to the provident fund, gratuity fund, leave encashment fund and any other special scheme or benefits created, for the period after the Appointed Date shall be deemed to be contributions made by Amalgamated Company.

30.6. The Amalgamated Company shall continue to abide by any agreement(s)/ settlement(s) entered into by the Amalgamating Companies with any of their employees prior to Appointed Date and from Appointed Date till the Effective Date.

31. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of the Scheme, the transfer and vesting of the Amalgamating Companies as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded by the Amalgamating Companies on or before the Appointed Date or after the Appointed Date until the Effective Date, to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things made, done and executed by the Amalgamating Companies or their predecessors as acts, deeds and things made, done and executed by or on behalf of the Amalgamated Company.

32. CONDUCT OF BUSINESS

32.1. With effect from the Appointed Date and up to and including the Effective Date:

32.2. The Amalgamating Companies shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions for and on account of, and in trust for, the Amalgamated Company;

32.3. All obligations, liabilities, duties and commitments attached, shall be undertaken and shall be deemed to have been undertaken by Amalgamating Companies for and on account of and in trust for Amalgamated Company.

32.4. All profits and income accruing or arising to or losses and expenses arising, incurred or accruing to the Amalgamating Companies including accumulated losses, for the period commencing the Appointed Date, shall for all purposes be treated as and deemed to be the profits, income, losses or expenses, as the case may be, of the Amalgamated Company.

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32.5. Any of the rights, powers, authorities or privileges exercised by Amalgamating Companies, shall be deemed to have been exercised by Amalgamating Companies for and on behalf of, and in trust for and as an agent of Amalgamated Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by Amalgamating Companies, shall be deemed to have been undertaken for and on behalf of and as an agent of Amalgamated Company;

32.6. Amalgamating Companies shall not without the concurrence of Amalgamated Company alienate, charge or otherwise deal with any of its assets except in the ordinary course of its business.

33. CONSIDERATION

As the entire paid up share capital of Amalgamating Companies are held by Amalgamated Company along with its nominees, it is expressly understood that, upon this Scheme becoming effective, there will be no issue and allotment of any securities by Amalgamated Company in respect of Amalgamation. Consequently, the investment of Amalgamated Company in entire paid-up share capital of the Amalgamating Companies shall stands cancelled in the books of Amalgamated Company, pursuant to Amalgamation.

34. ACCOUNTING TREATMENT

Upon the draft Scheme becoming effective, the Amalgamated Company shall account for Amalgamation in their books of account in accordance with IND AS 103 - "Business Combination" and such other IND AS as may be applicable or prescribed under the 2013 Act.

35. DISSOLUTION

On the Scheme becoming effective, the Amalgamating Companies, without any further act, instrument or deed, shall stand dissolved without being wound-up.

36. COMPLIANCE WITH SECTION 2(1B) OF THE INCOME TAX ACT, 1961

The provision of Part VI of this Scheme as they relate to the Amalgamation comply with the conditions relating to "amalgamation" as defined and specified under section 2(1B) of the Income Tax Act. If any terms or provisions or part of Part VI of this Scheme are found or interpreted to be inconsistent with the provisions of section 2(1B) of the Income Tax Act, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of section 2(1B) of the Income Tax Act shall prevail and the Scheme shall stand modified to the extent necessary to comply with section 2(1B) of the Income Tax Act and such modifications shall not affect other parts of the Scheme.

37. DATE OF EFFECTIVENESS OF PART VI OF THE SCHEME

This Part VI of the Scheme shall come into effect from Effective Date.

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38. SUBDIVISION, REORGANISATION AND COMBINATION OF THE AUTHORISED SHARE CAPITAL

38.1. As an integral part of the Scheme, the preference share capital of Amalgamating Company 1 aggregating to 3,87,500 shares of INR 100 each shall stand reclassified and sub-divided into 38,75,000 equity shares of Rs. 10/- each and no separate procedure shall be required to be followed or no separate fees required to be paid under the applicable provisions of the 2013 Act. Further, the face value of 1 (One) equity share of Amalgamating Company 1 amounting to Rs. 100/- (Rupees Hundred only) shall be subdivided into face value of Rs.10/- (Rupees Ten only) comprising 10 (Ten) equity shares of Amalgamating Company 1. Accordingly, after the above reclassification and sub-division, the authorised equity share capital of the Amalgamating Company 1 shall be restructured as follows:

"The authorised share capital of the Amalgamating Company 1 is Rs.4,60,50,000/ (Rupees Four Crore Sixty Lakhs Fifty thousand only) divided into 46,05,000 (Forty Six Lakh Five Thousand only) equity shares of Rs. 10/- (Rupees Ten only) each".

38.2. As an integral part of the Scheme, and after giving effect to clause 38.1 and 38.2 above, the authorised share capital of both the Amalgamating Companies shall stand transferred and be added with the authorised share capital of Amalgamated Company without any further act, instrument or deed pursuant to the provisions of Sections 13, 14, 61, 64 and Section 232 of the 2013 Act and no separate resolutions or consents and approvals would be required to be passed by the Amalgamated Company. The authorised share capital of Amalgamated Company will accordingly be increased to give effect to such merger of the authorized share capital. For this purpose, the stamp duty and fee paid on the authorised share capital of the Amalgamating Companies shall be utilised and applied to the increased authorised share capital of the Amalgamated Company and Amalgamated Company shall pay the differential amount, if any, after adjustment of such set off.

38.3. It is clarified that the approval of the members of the Amalgamating Companies to the Scheme shall be deemed to be their consent/approval for the increase of the authorized capital and amendment of the capital clause of the Memorandum of Association under the provisions of Section 13, 14, 61 and 64 of the 2013 Act and other applicable provisions of the 2013 Act.

38.4. Consequently upon the merger and increase in authorised share capital pursuant to Clause 38.1~~38.3~~, Clause V of the Memorandum of Association of the Amalgamated Company upon the coming into effect of this Scheme and without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13, 14, 61, 64 and Section 232 and other applicable provisions of the 2013 Act, as the case may be and be replaced by the following clause:

"The Authorised Share Capital of the Company is INR 651,21,50,000 (Rupees Six Hundred Fifty One Crores twenty one lakhs fifty thousand only) divided into 65,12,15,000 (Sixty Five Crores Twelve Lakhs Fifteen Thousand only) Equity shares of INR 10/- (Rupees Ten only) each with such rights, privileges and conditions attached thereto as may be determined by the General Meeting at the time of issue. The Company has and shall always have the power to divide the share capital from time to time and to vary, modify and abrogate any rights, privileges or conditions

attached to its shares in such a manner as may, for the time being, be provided in the regulations of the Company."

PRISM JOHNSON LIMITED

H. & R. Johnson (India) TBK Limited

Milano Bathroom Fittings Pvt. Ltd.

Silica Ceramica Private Limited

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

TBK VENKATARAMAIAH TILE BATH KITCHEN PRIVATE LIMITED

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

PARTVII – GENERAL TERMS & CONDITIONS

39. APPLICATION TO NCLT

All companies which are parties to this Scheme shall, as may be required, make applications and / or petitions under Sections 230 to 232 of the 2013 Act read with Section 52 and other applicable provisions of the 2013 Act before the NCLT, for sanction of this Scheme and all matters ancillary or incidental thereto.

40. APPOINTED DATE

40.1. The Scheme is effective from the Appointed Date. It is proposed to fix the April 1, 2018 as the Appointed Date tentatively, subject to NCLT deciding/ approving any other date as the Appointed date, due to the following reasons:

a. It will enable implementation of better governance systems of PJL, being a listed company, in the Part III Demerged Undertakings, Part IV Demerged Undertaking and Amalgamating Companies;

b. This would enable better consolidation of accounting systems and MIS (Management Information Systems) and can result in better reporting management as may be expected of a listed entity; and

c. It will have a lasting impact in the implementation of internal control mechanism, including internal financial control, into the Part III Demerged Undertakings, Part IV Demerged Undertaking and Amalgamating Companies as part of PJL, if it is fairly from a long period and the results of these can easily be evaluated and compared.

40.2. It is hereby clarified and confirmed that fixing April 1, 2018 as the tentative Appointed Date, shall not in any way prejudicially effect the interests of shareholders, creditors and public at large.

41. DECLARATION OF DIVIDEND, BONUS AND OTHERS

41.1. During the pendency of the Scheme, PJL, HRJ TBK, Silica, Milano, TBK Rangoli, TBK Venkat & TBK Samiyaz, subject to clause 41.4 and clause 41.5 hereinafter, shall be entitled to declare and pay dividend, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date.

41.2. The shareholders of PJL, HRJ TBK, Silica, Milano, TBK Rangoli, TBK Venkat & TBK Samiyaz shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.

41.3. For avoidance of doubt it is hereby clarified that nothing in this Scheme shall prevent companies involved in the Scheme from issuing fully paid up bonus equity shares to its shareholders in accordance with Applicable Law.

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41.4. Part III Demerged Companies shall not utilise the profits or income, if any, relating to the Part III Demerged Undertakings for any purpose, which is not in the ordinary course of business, in respect of the period falling on and after the date of approval of this Scheme by the Board of Directors of Part III Demerged Companies and Resulting Company 1, without the prior written consent of the Board of Directors of Resulting Company 1.

41.5. Part IV Demerged Company shall not utilise the profits or income, if any, relating to the Part IV Demerged Undertaking for any purpose, which is not in the ordinary course of business, in respect of the period falling on and after the date of approval of this Scheme by the Board of Directors of Part IV Demerged Company and Resulting Company 2, without the prior written consent of the Board of Directors of Resulting Company 2.

41.6. It is clarified that the aforesaid provisions in respect of declaration of dividend are enabling provisions only and shall not be deemed to confer any right on the shareholders of PJL, HRJ TBK, Silica, Milano, TBK Rangoli, TBK Venkat & TBK Samiyaz to demand or claim any dividend which, subject to the provisions of the 2013 Act, as applicable, shall be entirely at the discretion of the Board of Directors of respective companies, subject to such approval of the shareholders, as may be required.

42. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

42.1. All companies which are parties to this Scheme by their respective Board of Directors or their duly authorised representatives, may assent to any modifications / amendments to the Scheme or to any conditions or limitations that the NCLT and / or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors or their duly authorised representatives) and/or effect any other modification or amendment under Applicable Law jointly and mutually agreed in writing by the Board of Directors or their duly authorised representatives. All companies which are parties to this Scheme by their respective Board of Directors or their duly authorised representatives be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and / or in any matter concerned or connected therewith.

42.2. In the event any of the conditions that may be imposed by the NCLT and/ or any other Appropriate Authority, while sanctioning the Scheme, which the Board of Directors or their duly authorised representatives may find unacceptable for any reason, then the parties to this Scheme are at liberty to withdraw from this Scheme.

43. WITHDRAWAL FROM THE SCHEME

Parties to the Scheme, acting through their respective Board of Directors or their duly authorised representatives, shall each be at liberty to withdraw from this Scheme in case any condition or alteration imposed by any authority/person or otherwise is unacceptable to any of them, in the following manner:

(a) In case any of the Part III Demerged Companies or Resulting Company 1 decides to withdraw from this Scheme for the reasons as stated above, Part III of the Scheme shall stand modified accordingly with such consequential changes in other relevant places of the Scheme as may be necessary.

(b) In case Part IV Demerged Company or Resulting Company 2 decides to withdraw from this Scheme for the reasons stated above, Part IV of the Scheme shall stand deleted from the Scheme with such consequential changes in other relevant places of the Scheme as may be necessary.

(c) In case Amalgamating Company 2 decides to withdraw from this Scheme for the reasons stated above, Part V shall stand deleted & Part VI of the Scheme shall stand modified accordingly with such consequential changes in other relevant places of the Scheme as may be necessary.

(d) In case Amalgamating Company 1or Amalgamated Company decide to withdraw from this Scheme for the reasons stated above, Part VI of the Scheme shall stand deleted from the Scheme with such consequential changes in other relevant places of the Scheme as may be necessary.

(e) It is hereby clarified that withdrawal of any part of the Scheme in terms of clause 43 shall not affect any other provisions of this Scheme.

44. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

44.1. The requisite consents, approvals or permissions of any governmental or regulatory authority, which by Applicable Law may be necessary for the implementation of this Scheme.

44.2. The Scheme being approved by the requisite majorities in number and value of the members and / or creditors, as applicable, of PJL, HRJ TBK, Silica, Milano, TBK Rangoli, TBK Venkat & TBK Samiyaz as may be directed by the Hon'ble NCLT or any other competent authority, as may be applicable, subject to any dispensation that may be granted by the NCLT.

44.3. The sanction of the Scheme by the NCLT under Sections 230 to 232 read with Sec 52 and other applicable provisions of the 2013 Act; and

44.4. Certified copies of the orders of the NCLT being filed with the Registrar of Companies, by PJL, HRJ TBK, Silica, Milano, TBK Rangoli, TBK Venkat & TBK Samiyaz.

45. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and/or approvals referred to in the preceding Clause 44 above not being obtained and / or the Scheme not being sanctioned by the

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TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

Hon'ble NCLT or any other Governmental authorities and / or the order not being passed or sanctions not being granted by NCLT as aforesaid before March 31, 2021 or within such further period or periods as may be agreed upon from time to time by the Board of Directors of the companies which are parties to the Scheme, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights, obligations and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

46. OPERATIONAL SEQUENCE OF THE SCHEME

46.1. Upon the sanction of the Scheme and it becoming effective, subject to clause 43 above, the different transactions envisaged under the Scheme shall be operative in the following sequence:

(a) Demerger 1 of Part III Demerged Undertakings from Part III Demerged Companies respectively into Resulting Company 1, in terms of Part III of this Scheme,

(b) Demerger 2 of the Part IV Demerged Undertaking from Part IV Demerged Company into Resulting Company 2, in terms of Part IV of this Scheme,

(c) Reduction of Share Capital of Amalgamating Company 2, in terms of Part V of this Scheme,

(d) Amalgamation of the Amalgamating Companies into Amalgamated Company, in terms of Part VI of this Scheme,

with effect from Appointed Date being 1st day of financial year immediately preceding the financial year in which Scheme shall be filed with NCLT.

47. WHEN THE SCHEME COMES INTO OPERATION AND ITS PARTS GIVEN EFFECT TO

47.1. Resulting Company 1 & Resulting Company 2 / Amalgamated Company shall carry on and shall be authorized to carry on, with effect from the Appointed Date, the business pertaining to Part III Demerged Undertakings, Part IV Demerged Undertaking and business of Amalgamating Companies respectively. For the purposes of giving effect to the sanction of the Scheme by NCLT, Resulting Company 1 and Resulting Company 2 / Amalgamated Company shall at any time pursuant to such order be entitled to get the recordal of change in the legal right(s) upon the Demerger 1 of Part III Demerged Undertakings & Demerger 2 of Part IV Demerged Undertaking and Amalgamation of Amalgamating Companies, in accordance with the provisions of the sections 230 to 232 read with Section 52 and/or the other applicable provision of the 2013 Act, as case may be. Resulting Company 1 and Resulting Company 2 / Amalgamated Company are and shall always be deemed to have been authorized to execute any pleadings, applications, and forms as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of the Scheme.

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Silica Ceramica Private Limited

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TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

47.2. Resulting Company 1 and Resulting Company 2 / Amalgamated Company shall be entitled to, amongst others, file/ or revise its income tax returns/ computation of income after giving effect of Demerger 1, Demerger 2, Capital Reduction and Amalgamation, as applicable, TDS/TCS returns, service tax, goods and service tax, excise duty, sales tax, value added tax, entry tax, cess, professional tax or any other statutory returns, if required, credit for advance tax paid, tax deducted at source, claim for sum prescribed under section 43B of the Income Tax Act on payment basis by Resulting Company 1 and Resulting Company 2 / Amalgamated Company previously disallowed in the hands of Part III Demerged Companies (pertaining to Part III Demerged Undertakings), Part IV Demerged Company (pertaining to Part IV Demerged Undertaking), Amalgamating Companies respectively under the Income Tax Act, credit of tax under section 115JB read with section 115JAA of the Income Tax Act, credit of foreign taxes paid/ withheld, if any, pertaining to Part III Demerged Companies (pertaining to Part III Demerged Undertakings), Part IV Demerged Company (pertaining to Part IV Demerged Undertaking), Amalgamating Companies respectively as may be required consequent to implementation of this Scheme and where necessary to give effect to this Scheme, even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum. Resulting Company 1 and Resulting Company 2 / Amalgamated Company shall have the right to claim refunds, tax credits, set-offs and/or adjustments relating to the income or transactions entered into by them by virtue of this Scheme with effect from Appointed Date. The taxes or duties paid by, for, or on behalf of, Part III Demerged Undertakings, Part IV Demerged Undertaking and Amalgamating Companies relating to the period on or after Appointed Date, shall be deemed to be the taxes or duties paid by Resulting Company 1 and Resulting Company 2 / Amalgamated Company respectively and Resulting Company 1 and Resulting Company 2 / Amalgamated Company shall be entitled to claim credit or refund for such taxes or duties.

47.3. Any advance tax, self-assessment tax, minimum alternate tax and/or TDS credit available or vested with Part III Demerged Companies (pertaining to Part III Demerged Undertakings) & Part IV Demerged Company (pertaining to Part IV Demerged Undertaking), Amalgamating Companies, including any taxes paid and taxes deducted at source and deposited by Part III Demerged Companies (pertaining to Part III Demerged Undertakings), & Part IV Demerged Company (pertaining to Part IV Demerged Undertaking), and Amalgamating Companies on inter se transactions during the period between Appointed Date and the Effective Date, shall be treated as tax paid by Resulting Company 1 and Resulting Company 2 / Amalgamated Company respectively and shall be available to Resulting Company 1 and Resulting Company 2 / Amalgamated Company for set-off against its liability under the Income Tax Act and any excess tax so paid shall be eligible for refund together with interest. Further, TDS deposited, TDS certificates issued or TDS returns filed by Part III Demerged Companies (pertaining to Part III Demerged Undertakings) & Part IV Demerged Company (pertaining to Part IV Demerged Undertaking), and Amalgamating Companies on transactions other than inter se transactions during the period between Appointed Date and the Effective Date, as applicable, shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by Resulting Company 1 and Resulting Company 2 / Amalgamated Company respectively. Any TDS deducted by, or on behalf of, Part III Demerged Companies (pertaining to Part III Demerged Undertakings) & Part IV Demerged Company (pertaining to Part IV Demerged Undertaking), and Amalgamating Companies on inter se transactions will be treated as tax deposited by Resulting Company

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TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

1 and Resulting Company 2 / Amalgamated Company respectively.

47.4. Transfer and vesting of Part III Demerged Undertakings in terms of Part III of the Scheme, Part IV Demerged Undertaking in terms of Part IV of the Scheme and Amalgamating Companies in terms of Part VI of the Scheme is not a sale in the course of business.

47.5. Without prejudice to Part III of the Scheme, for operational and administrative convenience and for the purpose of enabling a smoother transition of the Part III Demerged Undertakings to Resultant Company 1, and subsequently that of Part IV Demerged Undertaking to the Resultant Company 2, it is hereby clarified that all the applications, documents, forms and returns, for the purpose of effecting the Demerger 1 of the Part III Demerged Undertakings can be directly made and effected in favour of the Resultant Company 2.

48. SEVERABILITY

48.1. If any provision or part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the companies which are parties to this Scheme, affect the validity or implementation of the other provisions and parts of this Scheme.

48.2. In the event of any inconsistency between any of the terms and conditions of any earlier arrangement amongst the companies which are parties to this Scheme and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall have overriding effect and shall prevail.

49. COSTS, CHARGES, EXPENSES AND STAMP DUTY

49.1. In the event of the Scheme not being sanctioned by the NCLT, the Scheme shall become null and void and each party shall bear and pay its respective costs, charges and expenses \for and/or in connection with the Scheme.

49.2. Subject to Clause 49.1 above, all costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by Amalgamated Company. Stamp duty and registration charges as may be applicable on the Scheme/ Order of the NCLT shall be borne by the Amalgamated Company.

Schedule 1

Statement presenting assets and liabilities forming part of Part IV Demerged Undertaking

Particulars
ASSETS
Non-current assets
Property, plant and equipment
Other Intangible assets
Financial assets
Deferred tax assets (Net)
Other non-current assets
Current Assets
Inventories
Financial Assets
Current tax assets (Net)
Other current assets
Liabilities
Non-current liabilities
Financial Liabilities
Provisions
Deferred tax liabilities (Net)
Other non-current liabilities
Current liabilities
Financial Liabilities
Other current liabilities
Provisions
Current Tax Liabilities (Net)

Schedule 2

Statement presenting assets and liabilities forming part of Part III Demerged Undertakings

Particulars
ASSETS
Non-current assets
Property, plant and equipment
Other Intangible assets
Financial assets
Deferred tax assets (Net)
Other non-current assets
Current Assets
Inventories
Financial Assets
Current tax assets (Net)
Other current assets
Liabilities
Non-current liabilities
Financial Liabilities
Provisions
Deferred tax liabilities (Net)
Other non-current liabilities
Current liabilities
Financial Liabilities
Other current liabilities
Provisions
Current Tax Liabilities (Net)

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NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD

SPECIAL BENCH - COURT 1 (URGENT HEARINGS THROUGH VIDEO CONFERENCE)

PRESENT: HON'BLE SHRI K ANANTHA PADMANABHA SWAMY – MEMBER JUDICIAL
HON'BLE SHRI VEERA BRAHMA RAO AREKAPUDI - MEMBER TECHNICAL

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 14.10.2020 AT 10:30 AM

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	CA No. 91/230/HDB/2020
NAME OF THE COMPANY	Prism Johnson Ltd (Resulting Co. 2)
NAME OF THE PETITIONER(S)	
NAME OF THE RESPONDENT(S)	
UNDER SECTION	230

Counsel for Petitioner(s):

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature

Counsel for Respondent(s):

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature

ORDER

The matter is taken up through videoconference. Order is pronounced vide separate order.

MEMBER
(TECHNICAL)

MEMBER
(JUDICIAL)

Karim

NATIONAL COMPANY LAW TRIBUNAL
BENCH-1 HYDERABAD

CA NO.91/230/HDB/2020

APPLICATION UNDER SECTIONS 230 AND 232 READ WITH SECTION 52 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS AND RULES THEREUNDER

IN THE MATTER OF COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION AMONGST

PRISM JOHNSON LIMITED

AND

H. & R. JOHNSON (INDIA) TBK LIMITED

AND

MILANO BATHROOM FITTINGS PRIVATE LIMITED

AND

SILICA CERAMICA PRIVATE LIMITED

AND

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

AND

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

AND

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

1. **Prism Johnson Limited**
   Having its Registered Office at:
   305, Laxmi Niwas Apartments,
   Ameerpet, Hyderabad,
   Telangana – 500016

... Applicant No. 1/Amalgamated Company/ Resulting Company No. 2

2. **H. & R. Johnson (India) TBK Limited**
   Having its Registered Office at:
   Windsor, 7th Floor,
   CST Road Kalina,
   Santa Cruz (E) Mumbai,
   Maharashtra – 400098

...Applicant No. 2/Demerged Company No. 4/ Resulting Company No. 1

3\. **Milano Bathroom Fittings Private Limited**
Having its Registered Office at:
Plot No. 30 Industrial Township Phase 4,
Himuda, Bhatoli Kalan, Baddi, Solan,
Himachal Pradesh – 173205

... Applicant No. 3/Amalgamating Company No. 1

4\. **Silica Ceramica Private Limited**
Having its Registered Office at:
Narayanapuram Unguturu Mandal,
Narayanapuram,
Andhra Pradesh – 534407

... Applicant No. 4/Amalgamating Company No. 2

5\. **TBK Rangoli Tile Bath Kitchen Private Limited**
Having its Registered Office at:
Ground Floor, Kaddiya Wadi,
Azad Road Near Fire Brigade Station,
Vile Parle (East) Mumbai,
Maharashtra – 400057

... Applicant No. 5/Demerged Company No. 1

6\. **TBK Venkataramiah Tile Bath Kitchen Private Limited**
Having its Registered Office at:
No.56 A, Ramamurthy Nagar Main Road,
Dodda Banaswadi, Opp. New Baldwin Residential School,
Bangalore,
Karnataka – 560043

... Applicant No. 6/Demerged Company No. 2

7\. **TBK Samiyaz Tile Bath Kitchen Private Limited**
Having its Registered Office at:
G 5-10, Ground Floor, Plot no. 6,
Savita Raj Complex, Kala Manak Flat Owners Society,
CIDCO, New Aurangabad,
Maharashtra – 431003

... Applicant No. 7/Demerged Company No. 3

And

Their Respective Shareholders and Creditors

Date of order 14.10.2020

Coram:

Hon'ble Shri K. Anantha Padmanabha Swamy, Member (Judicial)

Hon'ble Shri Veera Brahma Rao Arekapudi, Member (Technical)

Appearance:

For Applicants: Shri S. Ravi, Senior Advocate assisted by Shri Lakshmi Kumaran and Sridharan, Advocates

Heard on: 29.09.2020

PER: SHRI VEERA BRAHMA RAO AREKAPUDI MEMBER (TECHNICAL)

1. This is a joint Application filed under section 230-232 read with section 52 and other applicable provisions of the companies act, 2013 Read with Rule 3(2) and other applicable rules of the Companies (Compromises, Arrangements And Amalgamations) Rules, 2016 by **PRISM JOHNSON LIMITED/Applicant No.1, H. & R. JOHNSON (INDIA) TBK LIMITED/Applicant No.2, MILANO BATHROOM FITTINGS PRIVATE LIMITED/Applicant No.3, SILICA CERAMICA PRIVATE LIMITED/Applicant No.4, TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED/Applicant No.5 TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED/ Applicant No.6, TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED/Applicant No.7 and their respective shareholders and creditors,** seeking dispensing with the meetings of Shareholders, Secured and Unsecured Creditors of Applicant No.1 to 7 Companies for approval of the Scheme in terms of Composite Scheme of Arrangement and Amalgamation shown as Annexure – A-6 (page Nos 1029-1093).

2. The averments relevant to the Application in brief are:-

2.1 Applicant No. 1/Amalgamated Company/Resulting Company No. 2, Prism Johnson Limited ("PJL")

The Applicant No.1 Company (CIN: L26942TG1992PLC014033) (formerly known as Prism Cement Limited), is a public company limited by shares incorporated on 26th March, 1992 under the provisions of the erstwhile Companies Act, 1956 (**"1956 Act"**), and having its Registered Office at 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad, Telangana- 500016. Applicant No. 1 is one of India's leading integrated building materials' company, offering a wide range of products from cement, ready-mix concrete, tiles and bathroom products. The shares of the Applicant No. 1 are listed on BSE Limited ("**BSE**") and the National Stock Exchange Limited ("**NSE**") in India. The Applicant No. 1 is the main holding company of the group and the ultimate transferee company in the proposed Scheme. The Authorised share capital of Applicant No.1 Company is Rs. 525,00,00,000/- (Rupees Five Hundred and Twenty Five Crores Only) consisting of 52,50,00,000 (Fifty Two Crore Fifty Lakh) Equity shares of Rs. 10/- each and issued, subscribed and paid up share capital is Rs. 503,35,65,800/- (Rupees Five Hundred and Three Crore Thirty Five Lakh Sixty Five Thousand Eight Hundred Only) consisting of 50,33,56,580 (Fifty Crore Thirty Three Lakh Fifty Six Thousand Five Hundred and Eighty) Equity shares of Rs. 10/- each.

2.2 Applicant No. 2/Demerged Company No. 4/Resulting Company No. 1, H. & R. Johnson (India) TBK Limited ("HRJ TBK")

The Applicant No.2 Company (CIN: U45200MH1996PLC101892), a wholly owned subsidiary of Applicant No. 1, is an unlisted public company limited by shares incorporated on 16th August, 1996 under the provisions of the 1956 Act, and having its Registered Office at Windsor, 7th Floor, CST Road, Kalina, Santa Cruz (E), Mumbai, Maharashtra- 400098. The Applicant No. 2 Company is engaged, *inter alia*, directly/indirectly through its subsidiaries and associates in retail/trading in tiles, bathroom fittings and kitchens & branded tiles display unit. It also provides support services. The Authorised share capital of Applicant No.2 Company is Rs 5,00,00,000/-(Rupees Five Crore Only) consisting of 5,00,000 (Five Lakh) Equity shares of Rs. 100/- each and the issued, subscribed and paid up share capital is INR 1,61,02,000/- (Rupees One Crore Sixty One Lakh Two Thousand Only) consisting of 1,61,020 (One Lakh Sixty One Thousand Twenty) Equity shares of Rs. 100/- each.

2.3 **Applicant No. 3/ Amalgamating Company No. 1, Milano Bathroom Fittings Private Limited ("Milano")**

The Applicant No.3 Company (CIN: U28994HP2000PTC006251), wholly owned subsidiary of Applicant No. 1, is a private company limited by shares incorporated on 8th March, 2000 under the provisions of the 1956 Act, and having its Registered Office at Plot No. 30, Industrial Township Phase 4, Himuda, Bhatoli Kalan, Baddi Solan, Himachal Pradesh- 173205. The Applicant No. 3 Company is engaged in the business of manufacturing of bathroom fittings and accessories. The Authorised share capital is Rs 4,60,50,000/- (Rupees Four Crores Sixty Lakh Fifty Thousand only) consisting of 73,000 (Seventy Three Thousand) Equity Shares of Rs.100/- each and 3,87,500 (Three Lakh Eighty Seven Thousand Five Hundred) Preference shares of Rs. 100/- each. The issued, subscribed and paid up share capital is Rs 2,72,44,600/- (Rupees Two Crores Seventy Two Lakh Forty Four Thousand Six Hundred Only) consisting of 72,446 (Seventy Two Thousand Four Hundred and Forty Six) equity shares of Rs.100/- each and 2,00,000 (Two Lakh) Preference shares of Rs. 100/- each.

2.4 **Applicant No. 4/Amalgamating Company No. 2, Silica Ceramica Private Limited ("Silica")**

The Applicant No.4 Company (CIN: U26933AP2006PTC051977), wholly owned subsidiary company of Applicant No. 1, is a private company limited by shares incorporated on 12th December, 2006 under the provisions of the 1956 Act, and having its Registered Office at Narayanapuram Unguturu Mandal, Narayanapuram, Andhra Pradesh – 534407. The Applicant No. 4 Company is engaged in the business of manufacturing of ceramic vitrified tiles and glazed vitrified tiles. The Authorised share capital of Applicant No.4 Company is Rs 121,61,00,000/- (Rupees One Twenty One Crore Sixty One Lakh Only) consisting of 12,16,10,000 (Twelve Crore Sixteen Lakh Ten Thousand) Equity Shares of Rs.10/- each and issued, subscribed and paid up share capital is Rs. 121,60,82,830/- (Rupees One Twenty One Crore Sixty Lakh Eighty Two Thousand Eight Hundred and Thirty Only) consisting of 12,16,08,283 (Twelve Crore Sixteen Lakh Eight Thousand Two Hundred and Eighty Three) Equity Shares of Rs.10/- each.

2.5 **Applicant No. 5/ Demerged Company No. 1, TBK Rangoli Tile Bath Kitchen Private Limited ("TBK Rangoli")**

The Applicant No.5 Company (CIN: U74120MH2010PTC209550), wholly owned subsidiary of Applicant No. 2, is a private company limited by shares incorporated on 28th October, 2010 under the provisions of the 1956 Act, and having its Registered Office at Ground Floor, Kaddiya Wadi, Azad Road, Near Fire Brigade Station, Vile Parle (East) Mumbai, Maharashtra – 400057. The Applicant No. 5 Company is engaged in the business of retail/ trading of tiles, bathroom fittings & kitchens. The Authorised Share Capital of Applicant No.5 Company is Rs. 1,00,000/- (Rupees One Lakh Only) consisting of 10,000 (Ten Thousand) Equity Shares of Rs.10/- each and the issued, subscribed and paid up share capital is Rs. 1,00,000/- (Rupees One Lakh Only) consisting of 10,000 (Ten Thousand) Equity Shares of Rs.10/- each.

2.6 **Applicant No. 6/ Demerged Company No. 2, TBK Venkataramiah Tile Bath Kitchen Private Limited ("TBK Venkat")**

The Applicant No.6 Company (CIN: U26900KA2010PTC056306), wholly owned subsidiary of Applicant No. 2, is a private company limited by shares incorporated on 21st December, 2010 under the provisions of the 1956 Act, and having its Registered Office at No.56A, Ramamurthy Nagar Main Road, Dodda Banaswadi, Opp. New Baldwin Residential School, Bangalore, Karnataka – 560043. The Applicant No. 6 is engaged in the business of retail/trading of tiles, bathroom fittings & kitchens. The Authorised Share Capital is Rs 1,00,000/- (Rupees One Lakh Only) consisting of 10,000 (Ten Thousand) Equity Shares of Rs.10/- each and Issued, subscribed and paid up share capital is Rs. 1,00,000/- (Rupees One Lakh Only) consisting of 10,000 (Ten Thousand) Equity Shares of Rs.10/- each.

2.7. **Applicant No. 7/ Demerged Company No. 3, TBK Samiyaz Tile Bath Kitchen Private Limited ("TBK Samiyaz")**

The Applicant No.7 Company (CIN: U26916MH2007PTC176528), wholly owned subsidiary of Applicant No. 2, is a private company limited by shares incorporated on 6th December, 2007 under the provisions of the 1956 Act, and having its Registered Office at G 5-10, Ground Floor, Plot No. 6, Savita Raj Complex, Kala Manak Flat Owners Society, CIDCO, New Aurangabad, Maharashtra – 431003. The Applicant No. 7 is engaged in the business of retail/trading of tiles, bathroom fittings & kitchens. The Authorised share capital of Applicant No.7 Company is Rs. 8,30,000/- (Rupees Eight Lakh Thirty Thousand Only) consisting of 83,000 (Eighty Three Thousand) Equity Shares of Rs.10/- each. INR 8,30,000/- (Rupees Eight Lakh Thirty

Thousand Only) consisting of 83,000 (Eighty Three Thousand) Equity Shares of Rs.10/- each.

3. **APPROVAL OF THE BOARD OF DIRECTORS:-**

The Applicant Companies submit that the Scheme was approved by the Board of Directors of the respective Applicant Companies in their meeting held on 23rd October, 2019 in accordance with the provisions of the Companies Act, 2013 for restructuring of the business of the said Applicant Companies, on a going concern basis. Copy of Board Resolutions passed by the Board of Directors of the respective Applicant Companies are collectively annexed as **Annexure A-2**). It is further averred, as on the date of the Scheme being approved by the Board of Directors of the respective Applicant Companies and on the date of filing this joint application, there is no change in Authorized, Issued, Subscribed and Paid-up Share Capital of the Applicant Companies.

4 It is stated in the Application that Applicant No. 1 i.e. **Prism Johnson Limited** is the **ultimate holding company** of the other applicant companies, and each of Applicant No. 2 to 4 companies are its wholly owned subsidiaries, and Applicant No. 5 to 7 are wholly owned subsidiaries of Applicant No. 2. The Applicant Companies are collectively referred to as "**PJL Group**".

5. **FINANCIALS**

The Applicant Companies close their respective books of accounts every financial year, on the 31st March. Copies of audited financial statements as on 31st March, 2019 of the respective Applicant Companies are collectively annexed as **Annexure-A-4**). Copies of the latest provisional financial statements of the Applicant Companies as on 30th September, 2019 are collectively annexed as **Annexure A-5**).

6. THE OBJECTS / BENEFITS / OVERVIEW OF THE PROPOSED SCHEME ARE:

6.1 To enable better realisation of potential of the businesses and yield beneficial results and enhance the value creation for the Applicant Companies, their respective shareholders, creditors, lenders, employees and other stakeholders.

6.2 The proposed Scheme would result in elimination of multiple operating companies' structure of PJL and .thereby would result in consolidation of retail/trading business of certain wholly owned subsidiaries and step-down subsidiaries of PJL into a single entity, i.e. PJL;

6.3 Simplification of operating structure under common management which would lead to elimination of duplicative communication and coordination efforts across multiple entities;

6.4 The consolidation of business would lead to better, efficient and economical cost management, cost savings, pooling of resources, optimum utilisation of resources, rationalisation of administrative expenses/services across the PJL group;

6.5. The consolidation of business would lead to synergies in operational process and logistics alignment, creating better synergy, better utilisation of human resources and further development and growth of business via a single entity, PJL;

6.6 By virtue of enhanced resource base and deeper client relationship of PJL, capability for offering products and services would increase resulting in better business potential and prospects for the entity.

6.7 The proposed Scheme would help PJL in sharpening its competitiveness and development of long term internal and core competencies through cost savings and benefit of economies of scale unlocked to PJL.

6.8 The proposed Scheme will augment the manufacturing footprint and capabilities of PJL, by increasing the scale of manufacturing operations and bettering capacity utilisation of

PJL, thereby helping in rationalising the number of vendors, aggregating the purchases and managing the supply chain more effectively and efficiently.

6.9 The proposed Scheme for consolidation of retail/trading business will also simplify the forward supply chain and management of customers and bring better sales and marketing synergies.

6.10. The proposed Scheme as envisaged, is in the interest of the shareholders, creditors, employees, and other stakeholders of each of the companies by pursuing a focused business approach under a single entity, thereby resulting in overall maximization of value creation of all the stakeholders involved.

7. **SEQUENCE OF COMPOSITE ARRANGEMENT AND AMALGAMATION OF THE SCHEME BETWEEN THE APPLICANT COMPANIES:**

The sequence followed by the **Applicant Companies/ PJL** in the proposed composite scheme of arrangement and amalgamation are as under:

7.1 **Demerger-1**: The demerger of the respective retail/trading business undertakings of **Applicants No. 5, 6 & 7**, and transfer of their respective demerged undertakings (**collectively referred to as "Part-III Demerged Undertakings**) comprising of all their properties, assets, liabilities, permits, licenses, registrations, contracts etc., into **Applicant No. 2** on a going concern basis;

7.2 **Demerger-2**: Subsequent demerger of the retail/business undertaking of **Applicant No. 2** and transfer of the its demerged undertaking (**referred to as Part-IV Demerged Undertaking including Part III Demerged Undertakings vested upon Demerger 1**) comprising of all its properties, assets, liabilities, permits, licenses, registrations, contracts etc., into **Applicant No. 1** on a going concern basis.

7.3 Adjustment of Securities Premium with the debit balance of Retained earnings, to the extent available, by way of Capital

Reduction in terms of Section 52 and other applicable provisions of the 2013 Act in the books of **Applicant No. 4** and;

7.4 **Amalgamation**: Subsequent amalgamation of **Applicants No. 3 and 4** with **Applicant No. 1.**

8. REDUCTION OF SHARE CAPITAL TO BE UNDERTAKEN BY SILICA ("CAPITAL REDUCTION")

It is averred by Applicant Companies that upon the Scheme becoming effective, the balance in the securities premium account of Applicant No.4 shall stand reduced by INR 1,51,38,02,000/- (One hundred Fifty One Crores Thirty Eight Lakhs Two Thousand Rupees only), by offsetting the debit balance of retained earnings in the books of Applicant No. 4 in accordance with the Part V of the Scheme as an integral part of the Scheme and that the consent / approval given by the shareholders of Applicant No. 4 / Amalgamating Company 2 to the Scheme, shall also be deemed to be sufficient for the purpose of effecting Part V of the Scheme.

9. **CONSIDERATION FOR:**

9.1 **Demerger -1**:- Since the entire share capital of the Part-III Demerged Companies are held by the Resulting Company No.1 along with the nominees, there will be no issue and allotment of any securities by Resulting Company No.1/Applicant No.2 Company herein, in respect of demerger of Part-III Demerged undertakings, consequent to the Scheme becoming effective.

9.2 **Demerger-2**: Since the entire share capital of the Part-IV Demerged Companies are held by the Resulting Company No.2 along with the nominees, there will be no issue and allotment of any securities by Resulting Company No.2/Applicant No.1 Company herein, in respect of demerger of Part-IV Demerged undertakings, consequent to the Scheme becoming effective.

9.3 **Amalgamation**:- Since the entire share capital of the Amalgamating Companies (Applicants 3 & 4) are held by the Amalgamated Company (Applicant No.1) along with the nominees, there will be no issue and allotment of any securities by Amalgamated Company in respect of Amalgamation. Consequently, the investment of Amalgamated Company in entire paid-up share capital of the Amalgamating Companies shall stand cancelled in the books of the Amalgamated Company, consequent to amalgamation.

10. SUBDIVISION, REORGANISATION AND COMBINATION OF THE AUTHORISED SHARE CAPITAL

It is stated by the Applicant Companies that, the preference share capital aggregating to 3,87,500 shares of Rs. 100 each of Amalgamating Company No.1/ Applicant No.3 herein, shall stand reclassified and sub-divided into 38,75,000 equity shares of INR 10/- each. It is further stated that the face value of 1 (One) equity share of Amalgamating Company 1/ Applicant No.3 amounting to Rs. 100/- (Rupees Hundred only) shall be subdivided into face value of INR 10/- (Rupees Ten only) comprising 10 (Ten) equity shares of Amalgamating Company 1. The Scheme also entails consolidation of authorised share capital of the Amalgamating Companies with the Amalgamated Company.

11. **ACCOUNTING TREATMENT**

The Applicant Companies stated that the Scheme is in conformity with the relevant accounting standards prescribed under Section 133 of the Act. Certificates issued by Statutory Auditors/ Chartered Accountants i.e. G.M. Kapadia for Applicant No.1 & 3, Borkar & Muzumdar, for Applicants 2, 5, 6 & 7 and A.P. Sanzgiri & Co., for Applicant No.4 are annexed to Application as Annexure – A-8 (colly).

12. **INTEREST OF DIRECTORS OF THE APPLICANT COMPANIES IN THE SCHEME**

It is averred, the Directors of the respective Applicant Companies have no material interest in the proposed Scheme except as shareholders in general.

13. **CONSENT OF SHAREHOLDERS/SECURED AND UNSECURED CREDITORS**

13.1 Applicant No. 1:

(i) **Shareholders:** The equity shares of Applicant No. 1 are listed on BSE and NSE. As on 30th November, 2019, the promoters of PJL hold 74.87% of equity shareholding in PJL and the balance equity shareholding is held by the public shareholders. The number of equity shareholders in the Applicant No. 1 is **71351** as on 30th November, 2019. The shareholding pattern along with a copy of certificate issued by AMS & Co., CA confirming the number of shareholders and shareholding was annexed to the Application as **Annexure-A9** (Colly).

(ii) **Secured Creditors & Unsecured Creditors:** The Applicants No.1 Company has 15 number of secured and 20,913 number of unsecured creditors as on 30th November, 2019. Copy of the certificate issued by a Chartered Accountant, confirming the details of creditors of Applicant No. 1 as on 30th November, 2019, was annexed to the Application as **Annexure A-10**. However, the Learned Counsel for Applicant Companies on the directions of this Tribunal has filed memo dated 28.08.2020 showing summary of creditors of Applicant No.1 Company as on 30.06.2020. According to the memo, the Company has **10 Secured Creditors** and **24,179 unsecured creditors** as on 30.06.2020. The Applicant No.1 Company by relying on Hon'ble NCLAT order passed in CA (AT) No. 180/2019 in the matter of DLF Phase-IV Commercial Developers Ltd & Ors wherein dispensation was allowed on the grounds that the proposed Scheme did not result in any dilution in the shareholding of the shareholders of the Transferee Company and more so the net worth of the Transferee Company is highly positive when compared to the net worth of the Transferor Companies and that it did not affect the rights of the

Creditors, is seeking dispensation of holding meetings of its shareholders and creditors for approval of the Scheme.

13.2 Applicant No. 2:

(i) Shareholders: The Applicant No.2 Company has 07 (seven) equity shareholders as on 30th November, 2019. It is further certified that out of the total 1,61,020 shares, Prism Johnson Ltd (Applicant No.1) is holding 1,61,010 shares and the rest six shareholders together hold 10 shares for and on behalf of Applicant No.1 Company and further stated that the Company has received declaration of legal and beneficial ownership of Prism Johnson Limited for the same. Applicant No.1 Company which holds 100 % shares in Applicant No.2 Company has given consent Affidavit stating no objection to the proposed Scheme. A copy of the certificate issued by Borkar & Mazumdar, CA confirming the number of shareholders and shareholding pattern of Applicant No. 2 was annexed to the Application as **Annexure-A-13.** Copy of the consent affidavit obtained from Prism Johnson Ltd (Applicant No.1)/shareholder of Applicant No. 2 has also been enclosed to the Application as **Annexure A-14.**

(ii) Secured and Unsecured Creditors: The Applicant No. 2 states that it has **01 (one) secured** and **140** unsecured/ trade creditors as on 30th November, 2019. A list of creditors with amounts due along with copy of the certificate issued by Borkar & Mazumdar, Chartered Accountant confirming the details of creditors of Applicant No. 2 was annexed to the Application as **Annexure A-15.** The no objection letters/consent affidavits from its all secured and 12 unsecured creditors for the 90% value of the total value of unsecured creditors obtained from the secured and unsecured creditors of Applicant No. 2 have also been annexed to the Application as **Annexure A-16.** Therefore, the Applicant No.2 Company is seeking directions of this Tribunal to order dispensation of holding meeting of shareholders, secured and unsecured creditors of Applicant No.2 Company.

13.3 **Applicant No. 3:**

(i) **Shareholders:** It is stated in the Application that Applicant No.3 Company has 2 (two) equity shareholders and 1 (one), preference shareholder as on 30th November, 2019. A copy of the certificate issued by Borkar & Mazumdar, Chartered Accountant confirming the number of shareholders and shareholding pattern of Applicant No. 3 was annexed to the Application as **Annexure A-17**. Copies of the consent Affidavits obtained from equity and preference shareholders of Applicant No. 3 have also been enclosed to the Application as **Annexure A-18.**

(ii) **Secured and Unsecured Creditors**: There are **2 (two) secured** and **125 unsecured creditors** as on 30th November, 2019. A list of creditors with amounts due along with a copy of the certificate issued by Borkar & Mazumdar, Chartered Accountant confirming the details of creditors of Applicant No. 3 were annexed to the Application as **Annexure A-19**. The consent of one secured and 49 (Forty Nine) unsecured creditors for the 90% value of the total value of secured and unsecured creditors respectively have been obtained and enclosed to the Application as **Annexure A-20**.

Therefore, Applicant No. 3 prays for dispensation of the conducting and holding of the meeting of the equity /preference shareholders and secured and unsecured creditors of the Applicant No. 3.

13.4 **Applicant No. 4:**

(i) **Shareholders:** Applicant No. 4 has **2 (two) shareholders** as on 30th November, 2019. A copy of the certificate issued by a Chartered Accountant confirming the number of shareholders and shareholding pattern of Applicant No. 4 was annexed to the Application as **Annexure A-21**. The consent Affidavit obtained from shareholder holding 100%

of equity shares was annexed to the Application as **Annexure A-22.**

(ii) **Secured and Unsecured Creditors**: The Applicant No. 4 states that it has **14** secured and **237 unsecured creditors** as on 30th November, 2019. A list of creditors with amounts due along with a copy of the certificate issued by a Chartered Accountant confirming the details of secured and unsecured creditors of Applicant No. 4 were annexed to the Application as **Annexure A-23.** However, the Learned Counsel for Applicants filed memo dated 18.08.2020 stating that secured debt of Rs. 75,00,00,000/- to ICICI Prudential Asset Management Company has been paid off. As such consent affidavit has been obtained from Axis Bank to meet the threshold of 90% which was annexed as Annexure-B to the said memo. As such, as on date there are 13 secured creditors in Applicant No.4 Company. The consent Affidavits/ letter of Secured Creditors and 15 unsecured creditors constituting more than 90% of value of the total value of secured and unsecured creditors respectively have been obtained by Applicant No. 4. Copies of the consents obtained from the secured and unsecured creditors of Applicant No. 4 are enclosed with the Application as **Annexure A-24 (colly).**

Therefore, the Applicant No. 4 is seeking dispensation of conducting and holding of the meetings of the equity shareholders, secured and unsecured creditors of the Applicant No. 4.

13.5 **<u>Applicant No. 5:</u>**

(i) **Shareholders:** - The Applicant No.5 Company has 02 (two) equity shareholders as on 30th November, 2019. A copy of the certificate issued by a Chartered Accountant confirming the number of shareholders and shareholding pattern of Applicant No. 5 was annexed to the Application as **Annexure A-25.** The consent Affidavit of equity shareholder holding 9,999 shares was annexed to the Application as **Annexure A-26**. The other shareholder is its nominee.

(ii) **Secured and Unsecured Creditors:** There are **no secured creditors** in Applicant No. 5 Company. However, there are **03 (three) unsecured creditors** as on 30th November, 2019. A list of creditors with amounts due along with a copy of the certificate issued by a Chartered Accountant confirming the details of creditors of Applicant No. 5 was annexed to the Application as **Annexure A-27**. The consent affidavits of the two unsecured creditors for the 90% value of the total value of unsecured creditors have been obtained by the Applicant No. 5 which were annexed to the Application as **Annexure A-28.**

Therefore, the Applicant No. 5 seeks dispensation of conducting meeting unsecured creditors of the Applicant No. 5.

13.6 <u>**Applicant No. 6:**</u>

(i) **Shareholders**: There are **2 (two) shareholders** in Applicant No.6 Company as on 30th November, 2019. A copy of the certificate issued by a Chartered Accountant confirming the number of shareholders and shareholding pattern of Applicant No. 6 was annexed to the Application as **Annexure A-29**. The consent of equity shareholder holding 9999 shares has been obtained by the Applicant No. 6, the copy of which was annexed to the Application as **Annexure A-30**. The other shareholder is its nominee.

(ii) **Secured and Unsecured Creditors**. The Applicant No. 6 states that it has **no secured creditors** but has **27 unsecured creditors** as on 30th November, 2019. A list of creditors with amounts due along with copy of the certificate issued by a Chartered Accountant confirming the details of creditors of Applicant No. 6 were annexed to the Application as **Annexure A-31**. The consent of unsecured creditors of more than 90% value of the total value of unsecured creditors have been obtained by the

Applicant No. 6. Copies of the consent affidavits furnished by the unsecured creditors of Applicant No. 6 were annexed to the Application as **Annexure A-32**.

Therefore, the Applicant No. 6 seeks dispensation of holding the meetings of the equity shareholders, secured and unsecured creditors of Applicant No. 6.

13.7 **Applicant No. 7:**

(i) **Shareholders: - Applicant** No.7 has **two (02) equity shareholders** as on 30th November, 2019. A copy of the certificate issued by a Chartered Accountant confirming the number of shareholders and shareholding pattern of Applicant No. 7 was annexed to the Application as **Annexure A-33**. The consent affidavit obtained from one equity shareholder holding 99.99% shares was annexed to the Application as **Annexure A-34.** The other shareholder is its nominee.

(ii) **Secured and Unsecured Creditors:** There are **no secured creditors** in Applicant No. 7 but 7 (seven) number of unsecured creditors as on 30th November, 2019. A list of creditors with amounts due along with copy of the certificate issued by a Chartered Accountant confirming the details of creditors of Applicant No. 7 were annexed to the Application as **Annexure A-35.** The consent affidavits obtained from the unsecured creditors for the 90% value of the total value of unsecured creditors were annexed to the Application as **Annexure A-36.**

Therefore, the Applicant No. 7 seeks dispensation of holding of the meetings of the shareholders, secured and unsecured creditors.

14. It is further stated in the Application that no petition under Section 241 of the 2013 Act has been filed against the Applicant Companies and that there is no pending investigations/ proceedings against any of the Applicant Companies under the provisions of the Companies Act, 2013 as on the date of filing of this Application.

15. We heard the Senior Counsel for Applicant Companies and perused the documents on record. At the first instance, the Applicant Companies had filed a Joint Application under Rule 11, read with Rule 16(d), of the National Company Law Tribunal (NCLT) Rules, 2016 before the Hon'ble NCLT, Principal Bench at New Delhi seeking permission to file a joint company scheme application before this Tribunal Bench by all Applicant Companies, to obtain sanction of the Composite Scheme of Arrangement and Amalgamation ("**Scheme**") which was allowed by Hon'ble NCLT, Principal Bench, vide order dated 6th December, 2019. We have seen the certified Copy of the order dated 6th December, 2019 passed by the Hon'ble NCLT, Principal Bench which was annexed to the Application as **Annexure- A-1**.

16. This is the first stage Application seeking dispensation of holding meetings of Shareholders, secured creditors and Unsecured Creditors of **Applicant 2 to 7 Companies** as 90% the shareholders, and 90% value of the total value of secured and unsecured creditors respectively have given their no-objection to the proposed Arrangement by way of consent Affidavits and further sought dispensing with the meetings of shareholders, secured and unsecured creditors of Applicant No.1 Company by relying on order passed by Hon'ble NCLAT, New Delhi in CA (AT) No. 180 of 2019 in the matter of DLF Phase-IV Commercial Developers Ltd & Ors read with the order passed by Hon'ble NCLT, Chandigarh Bench, in CA 741 of 2019 dated 21st November, 2020, wherein dispensation was allowed on the grounds that the proposed scheme did not result in any dilution in the shareholding of the shareholders of the Transferee Company and that the net worth of the Transferee Company is highly positive when compared to the net worth of the Transferor Companies, and as such did not affect the rights of the creditors.

17. This Bench, however, is of the considered view that owing to the complexity of the composite Scheme of Arrangement involved, it is mandatory to order meetings of shareholders,

secured and unsecured creditors of Applicant No.1 Company to seek approval of all stakeholders of Applicant No.1 to the proposed Scheme. The proposed scheme in question prima facie satisfy fundamental requirements for its sanction, subject to approval of this Tribunal. The Applicant Companies are stated to be following all provisions of Companies Act, 2013, and rules made thereunder. In any case, dispensing with meeting of shareholders, secured and unsecured creditors of Applicant No. 2 to 7 Companies would not deprive any aggrieved party to approach this Tribunal at any point of time, when the approval of scheme in question finally comes for consideration. It is further submitted that the Scheme does not contemplate a corporate debt structuring exercise, for any of the Applicant Companies, and therefore, does not invite compliance under section 230(2)(c) of the 2013 Act. In the light of above facts, the Company application deserves favourable consideration.

ORDER

18. In the result, we pass the following order:-

(1) Hereby dispense with convening of meetings of shareholders, secured creditors and unsecured creditors of Applicant No. 2 to 7 Companies.

(2) Hereby order convening meetings of shareholders, secured and unsecured creditors of **M/s Prism Johnson Limited / Applicant No.1 Company** through postal ballot with e-voting ending on 27.11.2020.

(3) Appointed Mrs. Varalaxmi Tadepally, Advocate Mob. No. 9849026869 as **Chairperson** and Ms. Anantha Laxmi, Advocate, Mob No. 8008012987, email: laxmi.nagendra27@gmail.com as **Scrutinizer** for convening the meetings of Shareholders, secured and unsecured creditors of Applicant No.1 Company. Fee fixed for Chairperson is Rs. 1,25,000/-(Rupees One Lakh Twenty five Thousand only) and

Rs. 75,000/- (Rupees Seventy Five Thousand only) for the scrutinizer for the above meetings.

(4) Approval from the shareholders, secured and unsecured creditors of Applicant No.1 Company shall be obtained through postal ballot with e-voting ending on 27.11.2020

(5). The Quorum, if meetings conducted through Video Conference or Other Audio Visual Means, fixed for the meetings of Applicant No.1 Company is as under, which is either in person or proxy:-

Shareholders:	100
Secured Creditors:	05
Unsecured Creditors:	200

(6) The notice of the Meetings of Shareholders, Secured and Unsecured Creditors of Applicant No.1 Company shall be published in "Financial Express" (English Daily) and in "Nava Telangana" (Telugu Daily).

(7) The Applicant No.1 Company or its authorized Signatory is directed to issue notice (s) to Shareholders and only to those Unsecured Creditors to whom Applicant No.1 Company owes a debt of more than Rs. 5 lakhs (Rupees 5 Lakhs) by Registered or Speed post; or Courier; or Air Mail or email or hand delivery to their last known address at least one month before the date fixed for the said meeting as per Form No. CAA2 (Rule 6) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ensuring convening the said meeting of Applicant No.1. The Applicant No.1 Company is directed to intimate day, date and time, a copy of Explanatory Statement, pursuant to be sent under Section 230 of the Companies Act, 2013 and Proxy as per Form No. MGT-11 (Rule 19) of the Companies (Management and Administration) Rules, 2014.

(8) The Applicant No.1 Company to serve notices upon the Regional Director, South-East Region, Ministry of Corporate Affairs, Hyderabad pursuant to Section 230 (5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 and if no response is received by the Tribunal from Regional

Director within 30 days of the date of receipt of the notice, it will be presumed that Regional Director and/or Central Government has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016.

(9) The Applicant No.1 Company to serve notice upon the Registrar of Companies Hyderabad pursuant to Section 230 (5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises Arrangement and Amalgamations) Rules, 2016 and if no response is received by the Tribunal from Registrar of Companies, Hyderabad within 30 days of the date of receipt of the notice, it will be presumed that Registrar of Companies, Hyderabad has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromise Arrangements and Amalgamations) Rules, 2016.

(10) The Applicant No.1 Company to serve notice upon the Income Tax Authority, within whose jurisdiction that Applicant Company's Assessment are made, pursuant to Section 230 (5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 if no response is received by the Tribunal from Income Tax Authority within 30 days of the date of receipt of the notice, it will be presumed that Income Tax Authority has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromise, Arrangement and Amalgamation) Rules, 2016. The Applicant Companies are further directed to serve notice upon BSE and NSE.

(11) The Applicant Companies 2 to 7 are also directed to serve notice upon jurisdictional Regional Director, the Income Tax Authority, within whose jurisdiction that Applicant Company's Assessment are made, pursuant to Section 230 (5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 if no response is received by the Tribunal from Income Tax Authority within 30 days of the date of receipt of the notice, it will be presumed that the said Authorities has no objection

to the proposed Scheme as per Rule 8 of the Companies (Compromise, Arrangement and Amalgamation) Rules, 2016.

(12) The Chairperson shall have all powers under the Companies (Compromises, Arrangement and Amalgamation) Rules, 2016 in relation to the conduct of the meetings (s) including for deciding procedural questions that may arise before or at any adjournment thereof or any other matter including an amendment to the Scheme or resolution, if any, proposed at the meeting by any person (s).

(13) The voting shall be through postal ballot with e-voting by person or by proxy, or authorized representative in case be permitted, provided that the proxy in the Form No. MGT-11 authorization duly signed by the person entitled to attend and vote at the meeting, is to be filed with the Applicant No.1 Company at its Registered office, not later than, forty eight hours before the aforesaid meeting in accordance with Rule 10 of the Companies (Compromise, Arrangement and Amalgamation) Rules, 2016.

(14) The Chairperson to file affidavit not less than seven days before the day fixed for holding of the meeting and to report to this Tribunal that the direction regarding convening and issuance of notice (s) to all the necessary parties have been duly complied with in conformity with the relevant provisions of the Companies Act, 2013 R/w Companies (Compromise, Arrangement and Amalgamation) Rules, 2016. The Chairperson shall report the conclusion of the aforesaid meeting as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

(15) The Registry is directed to send a copy of this order to the Chairperson and Scrutinizer appointed in this case for their information.

14/10/2020

(VEERA BRAHMA RAO AREKAPUDI)
MEMBER (TECHNICAL)

(K.ANANTHA PADMANABHA SWAMY)
MEMBER (JUDICIAL)

PRISM JOHNSON LIMITED

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF PRISM JOHNSON LIMITED AT ITS MEETING HELD ON WEDNESDAY THE 23RD DAY OF OCTOBER, 2019 ON THE COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

1. Background

1.1. A meeting of the Board of Directors ("Board") of Prism Johnson Limited was held on 23rd October, 2019 to consider and approve the proposed Composite Scheme of Arrangement and Amalgamation amongst Prism Johnson Limited ("PJL" or "Company"), H. & R. Johnson (India) TBK Limited ("HRJ TBK"), Milano Bathroom Fittings Private Limited ("Milano"), Silica Ceramica Private Limited ("Silica"), TBK Rangoli Tile Bath Kitchen Private Limited ("TBK Rangoli"), TBK Venkataramiah Tile Bath Kitchen Private Limited ("TBK Venkat"), TBK Samiyaz Tile Bath Kitchen Private Limited ("TBK Samiyaz") and their respective shareholders and creditors under Sections 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013, as applicable ("Scheme").

1.2. In terms of Section 232(2)(c) of Companies Act, 2013, a report from the Board of the Company explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non- promoter shareholders laying out in particular the share exchange ratio, specifying special valuation difficulties, if any, has to be appended with the notice of the meeting of shareholders and creditors. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.

1.3. While deliberating on the Scheme, the Board had, inter-alia, considered and took on record following documents:

(a) Draft Scheme, duly initialed by the Company Secretary of the Company for the purpose of identification.

(b) Certificate dated 23rd Oct, 2019 from G. M. Kapadia & Co., Chartered Accountants, statutory auditors of the Company confirming that the accounting treatment contained in the Scheme is in compliance with Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("**Auditor's Certificate**").

2. Background to the Proposed Scheme

2.1. The Scheme entails the following:

(a) Demerger of retail/trading business undertakings of TBK Rangoli, TBK Venkat and

TBK Samiyaz into HRJ TBK (collectively "Demerger 1");

(b) Subsequent demerger of retail/trading business undertaking of HRJ TBK (after considering the impact of Demerger 1) into PJL ("Demerger 2");

(c) Adjustment of securities premium with debit balance of retained earnings, to the extent available, by way of capital reduction in terms of Section 52 & other applicable provisions of the Companies Act, 2013 in the books of Silica ("Capital Reduction");

(d) Subsequent amalgamation of Milano and Silica with PJL ("Amalgamation").

in accordance with sections 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013, as applicable and section 2(1B) and section 2(19AA) of Income Tax Act, 1961. The Appointed date for the Scheme is 1st April, 2018.

3. **Report:**

(a) Demerger of retail/trading business undertakings of TBK Rangoli, TBK Venkat & TBK Samiyaz into HRJ TBK:
TBK Rangoli, TBK Venkat & TBK Samiyaz are wholly owned subsidiaries of HRJ TBK. Hence, no shares of the HRJ TBK shall be issued on the Demerger 1. Thus, there will be no adverse effect of the aforesaid Demerger 1 pursuant to the Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(b) Demerger of retail/trading business undertaking of HRJ TBK (post Demerger 1) into PJL:
HRJ TBK is wholly owned subsidiary of PJL. Hence, no shares of the PJL shall be issued on the Demerger 2. Thus, there will be no adverse effect of the aforesaid Demerger 2 pursuant to the Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(c) Adjustment of securities premium with debit balance of retained earnings by way of Capital Reduction in books of Silica:
Silica is a wholly owned subsidiary of PJL. The Capital Reduction is done in the books of Silica. Therefore, the Capital Reduction to be undertaken does not have any impact on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(d) Subsequent Amalgamation of Milano & Silica with PJL:
Milano & Silica are wholly owned subsidiaries of PJL. Hence, no shares of PJL shall be issued pursuant to Amalgamation. Thus, there will be no adverse effect of the aforesaid Amalgamation pursuant to Scheme on the Equity Shareholders, Key managerial person,

Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(e) Since the amalgamation and/or demerger is taking place among the entities which are subsidiaries of PJL, either directly or indirectly, there is no consideration either in the form of cash or in the form of issue of shares, hence the requirement of carrying out any valuation and obtaining a valuation report from a registered valuer does not arise.

(f) None of the directors, Key Managerial Personnel, promoters and non-promoter shareholders have any material interests, financial or otherwise in the Scheme, except to the extent of their respective shareholding in the Transferor/ Transferee Companies.

By Order of the Board
For **Prism Johnson Limited**

A S Kulkarni

Aneeta S Kulkarni
Company Secretary

Corporate Office: "Rahejas", Main Avenue, V.P. Road, Santacruz (W), Mumbai - 400 054. India. T: +91-22-66754142/43/44/45
Registered Office: Prism Johnson Limited, 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500 016, India.
w: www.prismjohnson.in, E: info@prismjohnson.in

CIN: L26942TG1992PLC014033

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF H. & R. JOHNSON (INDIA) TBK LIMITED AT ITS MEETING HELD ON WEDNESDAY THE 23RD DAY OF OCTOBER, 2019 ON THE COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

1. **Background**

1.1. A meeting of the Board of Directors ("**Board**") of H. & R. Johnson (India) TBK Limited was held on 23rd October, 2019 to consider and approve the proposed Composite Scheme of Arrangement and Amalgamation amongst Prism Johnson Limited ("**PJL**"), H. & R. Johnson (India) TBK Limited ("**HRJ TBK**" or "**Company**"), Milano Bathroom Fittings Private Limited ("**Milano**"), Silica Ceramica Private Limited ("**Silica**"), TBK Rangoli Tile Bath Kitchen Private Limited ("**TBK Rangoli**"), TBK Venkataramiah Tile Bath Kitchen Private Limited ("**TBK Venkat**"), TBK Samiyaz Tile Bath Kitchen Private Limited ("**TBK Samiyaz**") and their respective shareholders and creditors under Sections 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013, as applicable ("**Scheme**").

1.2. In terms of Section 232(2)(c) of Companies Act, 2013, a report from the Board of the Company explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non- promoter shareholders laying out in particular the share exchange ratio, specifying special valuation difficulties, if any, has to be appended with the notice of the meeting of shareholders and creditors. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.

1.3. While deliberating on the Scheme, the Board had, inter-alia, considered and took on record following documents:

(a) Draft Scheme, duly initialed by the Director of the Company for the purpose of identification.

(b) Certificate dated 23rd Oct, 2019 from Borkar & Muzumdar, Chartered Accountants, statutory auditors of the Company confirming that the accounting treatment contained in the Scheme is in compliance with Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("**Auditor's Certificate**").

H. & R. Johnson (India) TBK Limited

H & R JOHNSON (INDIA) TBK LIMITED
Reg. & Corporate Office: 7th Floor, Windsor, C.S.T. Road, Kalina, Santacruz (E), Mumbai - 400 098, India.
T: +91-22-4064 7300 / 2654 7300 | Custome Care: 1800 22 7484 | www.hrjtbk.in
CIN: U45200MH1996PLC101892

2. <u>Background to the Proposed Scheme</u>

2.1. The Scheme entails the following:

(a) Demerger of retail/trading business undertakings of TBK Rangoli, TBK Venkat and TBK Samiyaz into HRJ TBK (collectively **"Demerger 1"**);

(b) Subsequent demerger of retail/trading business undertaking of HRJ TBK (after considering the impact of Demerger 1) into PJL (**"Demerger 2"**);

(c) Adjustment of securities premium with debit balance of retained earnings, to the extent available, by way of capital reduction in terms of Section 52 & other applicable provisions of the Companies Act, 2013 in the books of Silica (**"Capital Reduction"**);

(d) Subsequent amalgamation of Milano and Silica with PJL (**"Amalgamation"**).

in accordance with sections 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013, as applicable and section 2(1B) and section 2(19AA) of Income Tax Act, 1961. The Appointed date for the Scheme is 1st April, 2018.

3. **<u>Report:</u>**

(a) <u>Demerger of retail/trading business undertakings of TBK Rangoli, TBK Venkat & TBK Samiyaz into HRJ TBK</u>:

TBK Rangoli, TBK Venkat & TBK Samiyaz are wholly owned subsidiaries of HRJ TBK. Hence, no shares of the HRJ TBK shall be issued on the Demerger 1. Thus, there will be no adverse effect of the aforesaid Demerger 1 pursuant to the Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(b) <u>Demerger of retail/trading business undertaking of HRJ TBK (post Demerger 1) into PJL</u>:

HRJ TBK is wholly owned subsidiary of PJL. Hence, no shares of the PJL shall be issued on the Demerger 2. Thus, there will be no adverse effect of the aforesaid Demerger 2 pursuant to the Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(c) Adjustment of securities premium with debit balance of retained earnings by way of Capital Reduction in books of Silica:

Silica is a wholly owned subsidiary of PJL. The Capital Reduction is done in the books of Silica. Therefore, the Capital Reduction to be undertaken does not have any impact on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(d) Subsequent Amalgamation of Milano & Silica with PJL:

Milano & Silica are wholly owned subsidiaries of PJL. Hence, no shares of PJL shall be issued pursuant to Amalgamation. Thus, there will be no adverse effect of the aforesaid Amalgamation pursuant to Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(e) Since the amalgamation and/or demerger is taking place among the entities which are subsidiaries of PJL, either directly or indirectly, there is no consideration either in the form of cash or in the form of issue of shares, hence the requirement of carrying out any valuation and obtaining a valuation report from a registered valuer does not arise.

(f) None of the directors, Key Managerial Personnel, promoters and non-promoter shareholders have any material interests, financial or otherwise in the Scheme, except to the extent of their respective shareholding in the Transferor/ Transferee Companies.

By Order of the Board

For **H. & R. Johnson (India) TBK Limited**

Jagruti R Shah
Director
DIN:00490069

H. & R. Johnson (India) TBK Limited

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF MILANO BATHROOM FITTINGS PRIVATE LIMITED AT ITS MEETING HELD ON WEDNESDAY THE 23RD DAY OF OCTOBER, 2019 ON THE COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

1. Background

1.1. A meeting of the Board of Directors (**"Board"**) of Milano Bathroom Fittings Private Limited was held on 23rd October, 2019 to consider and approve the proposed Composite Scheme of Arrangement and Amalgamation amongst Prism Johnson Limited (**"PJL"**), H. & R. Johnson (India) TBK Limited (**"HRJ TBK"**), Milano Bathroom Fittings Private Limited (**"Milano"** or **"Company"**), Silica Ceramica Private Limited (**"Silica"**), TBK Rangoli Tile Bath Kitchen Private Limited (**"TBK Rangoli"**), TBK Venkataramiah Tile Bath Kitchen Private Limited (**"TBK Venkat"**), TBK Samiyaz Tile Bath Kitchen Private Limited (**"TBK Samiyaz"**) and their respective shareholders and creditors under Sections 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013, as applicable (**"Scheme"**).

1.2. In terms of Section 232(2)(c) of Companies Act, 2013, a report from the Board of the Company explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non- promoter shareholders laying out in particular the share exchange ratio, specifying special valuation difficulties, if any, has to be appended with the notice of the meeting of shareholders and creditors. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.

1.3. While deliberating on the Scheme, the Board had, inter-alia, considered and took on record following documents:

(a) Draft Scheme, duly initialed by the Director of the Company for the purpose of identification.

2. Background to the Proposed Scheme

2.1. The Scheme entails the following:

(a) Demerger of retail/trading business undertakings of TBK Rangoli, TBK Venkat and TBK Samiyaz into HRJ TBK (collectively **"Demerger 1"**);

MILANO BATHROOM FITTINGS PRIVATE LIMITED
CIN - U28994HP2000PTC006251
Regd. Office & Works : Plot No. 30, Industrial Township, Phase-IV, HIMUDA, Bhatoli Kalan, Baddi
Distt. Solan [illegible] 01795-275045, 275046
E-mail : customercare@milanobathfittings.com

Milano

(b) Subsequent demerger of retail/trading business undertaking of HRJ TBK (after considering the impact of Demerger 1) into PJL (**"Demerger 2"**);

(c) Adjustment of securities premium with debit balance of retained earnings, to the extent available, by way of capital reduction in terms of Section 52 & other applicable provisions of the Companies Act, 2013 in the books of Silica (**"Capital Reduction"**);

(d) Subsequent amalgamation of Milano and Silica with PJL (**"Amalgamation"**).

in accordance with sections 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013, as applicable and section 2(1B) and section 2(19AA) of Income Tax Act, 1961. The Appointed date for the Scheme is 1st April, 2018.

3. Report:

(a) Demerger of retail/trading business undertakings of TBK Rangoli, TBK Venkat & TBK Samiyaz into HRJ TBK:

TBK Rangoli, TBK Venkat & TBK Samiyaz are wholly owned subsidiaries of HRJ TBK. Hence, no shares of the HRJ TBK shall be issued on the Demerger 1. Thus, there will be no adverse effect of the aforesaid Demerger 1 pursuant to the Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(b) Demerger of retail/trading business undertaking of HRJ TBK (post Demerger 1) into PJL:

HRJ TBK is wholly owned subsidiary of PJL. Hence, no shares of the PJL shall be issued on the Demerger 2. Thus, there will be no adverse effect of the aforesaid Demerger 2 pursuant to the Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(c) Adjustment of securities premium with debit balance of retained earnings by way of Capital Reduction in books of Silica:

Silica is a wholly owned subsidiary of PJL. The Capital Reduction is done in the books of Silica. Therefore, the Capital Reduction to be undertaken does not have any impact on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

MILANO BATHROOM FITTINGS PRIVATE LIMITED
CIN - U28994HP2000PTC006251
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... 01795-275045, 275046
E-mail : customercare@milanobathfittings.com

Milano

(d) Subsequent Amalgamation of Milano & Silica with PJL:

Milano & Silica are wholly owned subsidiaries of PJL. Hence, no shares of PJL shall be issued pursuant to Amalgamation. Thus, there will be no adverse effect of the aforesaid Amalgamation pursuant to Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(e) Since the amalgamation and/or demerger is taking place among the entities which are subsidiaries of PJL, either directly or indirectly, there is no consideration either in the form of cash or in the form of issue of shares, hence the requirement of carrying out any valuation and obtaining a valuation report from a registered valuer does not arise.

(f) None of the directors, Key Managerial Personnel, promoters and non-promoter shareholders have any material interests, financial or otherwise in the Scheme, except to the extent of their respective shareholding in the Transferor/ Transferee Companies.

By Order of the Board

For **Milano Bathroom Fittings Private Limited**

Pankaj Sharma

Director

3

MILANO BATHROOM FITTINGS PRIVATE LIMITED

CIN - U28994HP2000PTC006251

Regd. Office & Works : Plot No. 30, Industrial Township, Phase-IV, HIMUDA, Bhatoli Kalan, Baddi

[illegible] 01795-275045, 275046

E-mail : customercare@milanobathfittings.com

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SILICA CERAMICA PRIVATE LIMITED AT ITS MEETING HELD ON WEDNESDAY THE 23RD DAY OF OCTOBER, 2019 ON THE COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

I. Background

1.1. A meeting of the Board of Directors ("**Board**") of Silica Ceramica Private Limited was held on 23rd October, 2019 to consider and approve the proposed Composite Scheme of Arrangement and Amalgamation amongst Prism Johnson Limited ("**PJL**"), H. & R. Johnson (India) TBK Limited ("**HRJ TBK**"), Milano Bathroom Fittings Private Limited ("**Milano**"), Silica Ceramica Private Limited ("**Silica**" or "**Company**"), TBK Rangoli Tile Bath Kitchen Private Limited ("**TBK Rangoli**"), TBK Venkataramiah Tile Bath Kitchen Private Limited ("**TBK Venkat**"), TBK Samiyaz Tile Bath Kitchen Private Limited ("**TBK Samiyaz**") and their respective shareholders and creditors under Sections 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013, as applicable ("**Scheme**").

1.2. In terms of Section 232(2)(c) of Companies Act, 2013, a report from the Board of the Company explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non- promoter shareholders laying out in particular the share exchange ratio, specifying special valuation difficulties, if any, has to be appended with the notice of the meeting of shareholders and creditors. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.

1.3. While deliberating on the Scheme, the Board had, inter-alia, considered and took on record following documents:

(a) Draft Scheme, duly initialed by the Company Secretary of the Company for the purpose of identification.

(b) Certificate dated 23rd October, 2019 from A. P. Sanzgiri & Co., Chartered Accountants, statutory auditors of the Company confirming that the accounting treatment contained in the Scheme is in compliance with Accounting Standards prescribed under section 133 of

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ph: +91 7799775915
E-mail : accounts@silicaceramica.com hr@silicaceramica.com purchase@silicaceramica.com

the Companies Act, 2013 ("**Auditor's Certificate**").

2. Background to the Proposed Scheme

2.1. The Scheme entails the following:

(a) Demerger of retail/trading business undertakings of TBK Rangoli, TBK Venkat and TBK Samiyaz into HRJ TBK (collectively "**Demerger 1**");

(b) Subsequent demerger of retail/trading business undertaking of HRJ TBK (after considering the impact of Demerger 1) into PJL ("**Demerger 2**");

(c) Adjustment of securities premium with debit balance of retained earnings, to the extent available, by way of capital reduction in terms of Section 52 & other applicable provisions of the Companies Act, 2013 in the books of Silica ("**Capital Reduction**");

(d) Subsequent amalgamation of Milano and Silica with PJL ("**Amalgamation**").

in accordance with sections 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013, as applicable and section 2(1B) and section 2(19AA) of Income Tax Act, 1961. The Appointed date for the Scheme is 1st April, 2018.

3. **Report:**

(a) Demerger of retail/trading business undertakings of TBK Rangoli, TBK Venkat & TBK Samiyaz into HRJ TBK:

TBK Rangoli, TBK Venkat & TBK Samiyaz are wholly owned subsidiaries of HRJ TBK. Hence, no shares of the HRJ TBK shall be issued on the Demerger 1. Thus, there will be no adverse effect of the aforesaid Demerger 1 pursuant to the Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(b) Demerger of retail/trading business undertaking of HRJ TBK (post Demerger 1) into PJL:

HRJ TBK is wholly owned subsidiary of PJL. Hence, no shares of the PJL shall be issued on the Demerger 2. Thus, there will be no adverse effect of the aforesaid Demerger 2 pursuant to the Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

Silica Ceramica Private Limited

Regd. Office, & Site Office : Narayanapuram (V), (Nr. Tadepalligudem Town). Unguturu Mandal, W.G.Dist. A.P. - 534 407

(c) Adjustment of securities premium with debit balance of retained earnings by way of Capital Reduction in books of Silica:

Silica is a wholly owned subsidiary of PJL. The Capital Reduction is done in the books of Silica. Therefore, the Capital Reduction to be undertaken does not have any impact on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(d) Subsequent Amalgamation of Milano & Silica with PJL:

Milano & Silica are wholly owned subsidiaries of PJL. Hence, no shares of PJL shall be issued pursuant to Amalgamation. Thus, there will be no adverse effect of the aforesaid Amalgamation pursuant to Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(e) Since the amalgamation and/or demerger is taking place among the entities which are subsidiaries of PJL, either directly or indirectly, there is no consideration either in the form of cash or in the form of issue of shares, hence the requirement of carrying out any valuation and obtaining a valuation report from a registered valuer does not arise.

(f) None of the directors, Key Managerial Personnel, promoters and non-promoter shareholders have any material interests, financial or otherwise in the Scheme, except to the extent of their respective shareholding in the Transferor/ Transferee Companies.

By Order of the Board

For **Silica Ceramica Private Limited**

A. Mahadik

Aaditya Mahadik

Company Secretary

Silica Ceramica Private Limited

Regd. Office. & Site Office : Narayanapuram (V), (Nr. Tadepalligudem Town). Unguturu Mandal, W.G.Dist. A.P. - 534 407

ph: +91 7799775915

TBK Rangoli Tile Bath Kitchen Private limited

Registered office : Ground Floor, Kaddiya Wadi, Azad Road, Near Fire Brigade Station, Vile Parle (East), Mumbai - 400057, Maharashtra, India
CIN - U74120MH2010PTC209550 /// 02226107078 /// hoj.vileparle@gmail.com

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TBK RANGOLI TILE BATH KITCHEN PRIVATELIMITED AT ITS MEETING HELD ON WEDNESDAY THE 23RD DAY OF OCTOBER, 2019 ON THE COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

1. **Background**

1.1. A meeting of the Board of Directors ("**Board**") of TBK Rangoli Tile Bath Kitchen Private Limited was held on 23rd October, 2019 to consider and approve the proposed Composite Scheme of Arrangement and Amalgamation amongst Prism Johnson Limited (**"PJL"**), H. & R. Johnson (India) TBK Limited (**"HRJ TBK"**), Milano Bathroom Fittings Private Limited (**"Milano"**), Silica Ceramica Private Limited (**"Silica"**), TBK Rangoli Tile Bath Kitchen Private Limited (**"TBK Rangoli "** or **"Company"**), TBK Venkataramiah Tile Bath Kitchen Private Limited (**"TBK Venkat"**), TBK Samiyaz Tile Bath Kitchen Private Limited (**"TBK Samiyaz"**) and their respective shareholders and creditors under Sections 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013, as applicable (**"Scheme"**).

1.2. In terms of Section 232(2)(c) of Companies Act, 2013, a report from the Board of the Company explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non- promoter shareholders laying out in particular the share exchange ratio, specifying special valuation difficulties, if any, has to be appended with the notice of the meeting of shareholders and creditors. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.

1.3. While deliberating on the Scheme, the Board had, inter-alia, considered and took on record following documents:

(a) Draft Scheme, duly initialed by the Director of the Company for the purpose of identification.

(b) Certificate dated 23rd Oct, 2019 from Borkar & Muzumdar, Chartered Accountants, statutory auditors of the Company confirming that the accounting treatment contained in the Scheme is in compliance with Accounting Standards prescribed under section 133 of the Companies Act, 2013 (**"Auditor's Certificate"**).

2. **Background to the Proposed Scheme**

2.1. The Scheme entails the following:

(a) Demerger of retail/trading business undertakings of TBK Rangoli, TBK Venkat and TBK Samiyaz into HRJ TBK (collectively "**Demerger 1**");

(b) Subsequent demerger of retail/trading business undertaking of HRJ TBK (after considering the impact of Demerger 1) into PJL ("**Demerger 2**");

(c) Adjustment of securities premium with debit balance of retained earnings, to the extent available, by way of capital reduction in terms of Section 52 & other applicable provisions of the Companies Act, 2013 in the books of Silica ("**Capital Reduction**");

(d) Subsequent amalgamation of Milano and Silica with PJL ("**Amalgamation**").

in accordance with sections 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013, as applicable and section 2(1B) and section 2(19AA) of Income Tax Act, 1961. The Appointed date for the Scheme is 1st April, 2018.

3. **Report:**

(a) Demerger of retail/trading business undertakings of TBK Rangoli, TBK Venkat & TBK Samiyaz into HRJ TBK:

TBK Rangoli, TBK Venkat & TBK Samiyaz are wholly owned subsidiaries of HRJ TBK. Hence, no shares of the HRJ TBK shall be issued on the Demerger 1. Thus, there will be no adverse effect of the aforesaid Demerger 1 pursuant to the Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(b) Demerger of retail/trading business undertaking of HRJ TBK (post Demerger 1) into PJL:

HRJ TBK is wholly owned subsidiary of PJL. Hence, no shares of the PJL shall be issued on the Demerger 2. Thus, there will be no adverse effect of the aforesaid Demerger 2 pursuant to the Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

(c) Adjustment of securities premium with debit balance of retained earnings by way of Capital Reduction in books of Silica:

Silica is a wholly owned subsidiary of PJL. The Capital Reduction is done in the books of Silica. Therefore, the Capital Reduction to be undertaken does not have any impact on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(d) Subsequent Amalgamation of Milano & Silica with PJL:

Milano & Silica are wholly owned subsidiaries of PJL. Hence, no shares of PJL shall be issued pursuant to Amalgamation. Thus, there will be no adverse effect of the aforesaid Amalgamation pursuant to Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(e) Since the amalgamation and/or demerger is taking place among the entities which are subsidiaries of PJL, either directly or indirectly, there is no consideration either in the form of cash or in the form of issue of shares, hence the requirement of carrying out any valuation and obtaining a valuation report from a registered valuer does not arise.

(f) None of the directors, Key Managerial Personnel, promoters and non-promoter shareholders have any material interests, financial or otherwise in the Scheme, except to the extent of their respective shareholding in the Transferor/ Transferee Companies.

By Order of the Board

For **TBK Rangoli Tile Bath Kitchen Private Limited**

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

Anoop Sreekumar
Director
DIN:03404325

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED AT ITS MEETING HELD ON WEDNESDAY THE 23RD DAY OF OCTOBER, 2019 ON THE COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

1. **Background**

1.1. A meeting of the Board of Directors ("**Board**") of TBK Venkataramiah Tile Bath Kitchen Private Limited was held on 23rd October, 2019 to consider and approve the proposed Composite Scheme of Arrangement and Amalgamation amongst Prism Johnson Limited ("**PJL**"), H. & R. Johnson (India) TBK Limited ("**HRJ TBK**"), Milano Bathroom Fittings Private Limited ("**Milano**"), Silica Ceramica Private Limited ("**Silica**"), TBK Rangoli Tile Bath Kitchen Private Limited ("**TBK Rangoli** "), TBK Venkataramiah Tile Bath Kitchen Private Limited ("**TBK Venkat**" or "**Company**"), TBK Samiyaz Tile Bath Kitchen Private Limited ("**TBK Samiyaz**") and their respective shareholders and creditors under Sections 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013, as applicable ("**Scheme**").

1.2. In terms of Section 232(2)(c) of Companies Act, 2013, a report from the Board of the Company explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non- promoter shareholders laying out in particular the share exchange ratio, specifying special valuation difficulties, if any, has to be appended with the notice of the meeting of shareholders and creditors. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.

1.3. While deliberating on the Scheme, the Board had, inter-alia, considered and took on record following documents:

(a) Draft Scheme, duly initialed by the Director of the Company for the purpose of identification.

(b) Certificate dated 23rd Oct, 2019 from Borkar & Muzumdar, Chartered Accountants, statutory auditors of the Company confirming that the accounting treatment contained in the Scheme is in compliance with Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("**Auditor's Certificate**").

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CIN - U26900KA2010PTC056306
080-41692976 / tbk.venkataramiah@gmail.com

2. Background to the Proposed Scheme

2.1. The Scheme entails the following:

(a) Demerger of retail/trading business undertakings of TBK Rangoli, TBK Venkat and TBK Samiyaz into HRJ TBK (collectively "**Demerger 1**");

(b) Subsequent demerger of retail/trading business undertaking of HRJ TBK (after considering the impact of Demerger 1) into PJL ("**Demerger 2**");

(c) Adjustment of securities premium with debit balance of retained earnings, to the extent available, by way of capital reduction in terms of Section 52 & other applicable provisions of the Companies Act, 2013 in the books of Silica ("**Capital Reduction**");

(d) Subsequent amalgamation of Milano and Silica with PJL ("**Amalgamation**").

in accordance with sections 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013, as applicable and section 2(1B) and section 2(19AA) of Income Tax Act, 1961. The Appointed date for the Scheme is 1st April, 2018.

3. Report:

(a) Demerger of retail/trading business undertakings of TBK Rangoli, TBK Venkat & TBK Samiyaz into HRJ TBK:

TBK Rangoli, TBK Venkat & TBK Samiyaz are wholly owned subsidiaries of HRJ TBK. Hence, no shares of the HRJ TBK shall be issued on the Demerger 1. Thus, there will be no adverse effect of the aforesaid Demerger 1 pursuant to the Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(b) Demerger of retail/trading business undertaking of HRJ TBK (post Demerger 1) into PJL:

HRJ TBK is wholly owned subsidiary of PJL. Hence, no shares of the PJL shall be issued on the Demerger 2. Thus, there will be no adverse effect of the aforesaid Demerger 2 pursuant to the Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(c) Adjustment of securities premium with debit balance of retained earnings by way of Capital Reduction in books of Silica:

Silica is a wholly owned subsidiary of PJL. The Capital Reduction is done in the books of Silica. Therefore, the Capital Reduction to be undertaken does not have any impact on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(d) Subsequent Amalgamation of Milano & Silica with PJL:

Milano & Silica are wholly owned subsidiaries of PJL. Hence, no shares of PJL shall be issued pursuant to Amalgamation. Thus, there will be no adverse effect of the aforesaid Amalgamation pursuant to Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(e) Since the amalgamation and/or demerger is taking place among the entities which are subsidiaries of PJL, either directly or indirectly, there is no consideration either in the form of cash or in the form of issue of shares, hence the requirement of carrying out any valuation and obtaining a valuation report from a registered valuer does not arise.

(f) None of the directors, Key Managerial Personnel, promoters and non-promoter shareholders have any material interests, financial or otherwise in the Scheme, except to the extent of their respective shareholding in the Transferor/ Transferee Companies.

By Order of the Board
For **TBK Venkataramiah Tile Bath Kitchen Private Limited**

Singrodia

Nitin Singrodia
Authorised Signatory

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TBK SAMIYAZ TILE BATH KITCHEN PRIVATELIMITED AT ITS MEETING HELD ON WEDNESDAY THE 23RD DAY OF OCTOBER, 2019 ON THE COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

1. **Background**

1.1. A meeting of the Board of Directors ("**Board**") of TBK Samiyaz Tile Bath Kitchen Private Limited was held on 23rd October, 2019 to consider and approve the proposed Composite Scheme of Arrangement and Amalgamation amongst Prism Johnson Limited ("**PJL**"), H. & R. Johnson (India) TBK Limited ("**HRJ TBK**"), Milano Bathroom Fittings Private Limited ("**Milano**"), Silica Ceramica Private Limited ("**Silica**"), TBK Rangoli Tile Bath Kitchen Private Limited ("**TBK Rangoli** "), TBK Venkataramiah Tile Bath Kitchen Private Limited ("**TBK Venkat**"), TBK Samiyaz Tile Bath Kitchen Private Limited ("**TBK Samiyaz**" or "**Company**") and their respective shareholders and creditors under Sections 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013, as applicable ("**Scheme**").

1.2. In terms of Section 232(2)(c) of Companies Act, 2013, a report from the Board of the Company explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non- promoter shareholders laying out in particular the share exchange ratio, specifying special valuation difficulties, if any, has to be appended with the notice of the meeting of shareholders and creditors. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.

1.3. While deliberating on the Scheme, the Board had, inter-alia, considered and took on record following documents:

(a) Draft Scheme, duly initialed by the Director of the Company for the purpose of identification.

(b) Certificate dated 23rd Oct, 2019 from Borkar & Muzumdar, Chartered Accountants, statutory auditors of the Company confirming that the accounting treatment contained in the Scheme is in compliance with Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("**Auditor's Certificate**").

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CIN - U26916MH2007PTC176528 / 0240-2475355 / tbksamiyaz@gmail.com

2. **Background to the Proposed Scheme**

2.1. The Scheme entails the following:

(a) Demerger of retail/trading business undertakings of TBK Rangoli, TBK Venkat and TBK Samiyaz into HRJ TBK (collectively "**Demerger 1**");

(b) Subsequent demerger of retail/trading business undertaking of HRJ TBK (after considering the impact of Demerger 1) into PJL ("**Demerger 2**");

(c) Adjustment of securities premium with debit balance of retained earnings, to the extent available, by way of capital reduction in terms of Section 52 & other applicable provisions of the Companies Act, 2013 in the books of Silica ("**Capital Reduction**");

(d) Subsequent amalgamation of Milano and Silica with PJL ("**Amalgamation**").

in accordance with sections 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013, as applicable and section 2(1B) and section 2(19AA) of Income Tax Act, 1961. The Appointed date for the Scheme is 1st April, 2018.

3. **Report:**

(a) Demerger of retail/trading business undertakings of TBK Rangoli, TBK Venkat & TBK Samiyaz into HRJ TBK:

TBK Rangoli, TBK Venkat & TBK Samiyaz are wholly owned subsidiaries of HRJ TBK. Hence, no shares of the HRJ TBK shall be issued on the Demerger 1. Thus, there will be no adverse effect of the aforesaid Demerger 1 pursuant to the Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(b) Demerger of retail/trading business undertaking of HRJ TBK (post Demerger 1) into PJL:

HRJ TBK is wholly owned subsidiary of PJL. Hence, no shares of the PJL shall be issued on the Demerger 2. Thus, there will be no adverse effect of the aforesaid Demerger 2 pursuant to the Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

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TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

(c) Adjustment of securities premium with debit balance of retained earnings by way of Capital Reduction in books of Silica:

Silica is a wholly owned subsidiary of PJL. The Capital Reduction is done in the books of Silica. Therefore, the Capital Reduction to be undertaken does not have any impact on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(d) Subsequent Amalgamation of Milano & Silica with PJL:

Milano & Silica are wholly owned subsidiaries of PJL. Hence, no shares of PJL shall be issued pursuant to Amalgamation. Thus, there will be no adverse effect of the aforesaid Amalgamation pursuant to Scheme on the Equity Shareholders, Key managerial person, Promoters and Non-Promoter shareholders of the Company, except to the extent specified in clause (f) below.

(e) Since the amalgamation and/or demerger is taking place among the entities which are subsidiaries of PJL, either directly or indirectly, there is no consideration either in the form of cash or in the form of issue of shares, hence the requirement of carrying out any valuation and obtaining a valuation report from a registered valuer does not arise.

(f) None of the directors, Key Managerial Personnel, promoters and non-promoter shareholders have any material interests, financial or otherwise in the Scheme, except to the extent of their respective shareholding in the Transferor/ Transferee Companies.

By Order of the Board
For **TBK Samiyaz Tile Bath Kitchen Private Limited**

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

Anoop Sreekumar
Director
DIN: 03404325

Regd. Office. : G 5-10, Grnd Flr, Plot no. 6, Savita Raj Complex, Kala Manak Flat Owners Society, CIDCO, New Aurangabad 431003
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G. M. KAPADIA & CO.
(REGISTERED)
CHARTERED ACCOUNTANTS
1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA
PHONE : (91-22) 6611 6611 FAX : (91-22) 6611 6600

INDEPENDENT AUDITORS' REPORT
To the members of Prism Johnson Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Prism Johnson Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statement 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 *Auditors' Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules framed thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statement.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters:

Sr.No	Key Audit Matters	How our audit addressed the Key Audit Matters
1	**Evaluation of Provisions and Contingent Liabilities** As at the Balance Sheet date, the Company has certain open legal cases and other contingent liabilities as disclosed in note no. 4.05. The assessment of the existence of the present legal or constructive obligation and analysis of the probability of the related payment require the management to make judgement and estimates in relation to the issues of each matter. The management with the help of its expert, as needed, have made such judgements and estimates relating to the likelihood of an obligation arising and whether there is a need to recognize a provision or disclose a contingent liability. Due to the level of judgement and estimate involved in recognition, valuation and presentation of provision and contingent liabilities, this is considered to be a key audit matter.	Our procedures included, amongst others: We have reviewed and held discussions with the management to understand their processes to identify new possible obligations and changes in existing obligations for compliance with the requirements of Ind AS 37 on "*Provisions, Contingent Liabilities and Contingent Assets*". We have analysed significant changes from prior periods and obtain a detailed understanding of these items and assumptions applied. We have held regular meetings with the management and key legal personnel responsible for handling legal matters. In addition, we have reviewed: • the details of the proceedings before the relevant authorities including communication from the advocates / experts; • legal advises / opinions obtained by the management, as needed, from experts in the field of law on the legal cases; • minutes of board meetings, including the sub-committees; and • status of each of the material matters as on the date of the balance sheet. • We have assessed the appropriateness of provisioning based on assumptions made by the management and presentation of the significant contingent liabilities in the financial statements.
2	**Impairment of investment in Property, plant and equipments and in subsidiaries** Significant judgement is involved in carrying out impairment assessment of Property, plant and equipment (PPE) and investment in subsidiaries. Such assessment is undertaken using discounted cash flow models to determine the recoverable amount (value-in-use) of Cash Generating Units (CGUs), which is compared to	• We understood, evaluated and validated management's key controls over the impairment assessment process. • We compared the methodology used by the management to market practice. • We obtained management's future cash flow forecasts, tested the mathematical accuracy of the underlying value-in-use calculations. • We also compared historical actual

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

Sr.No	Key Audit Matters	How our audit addressed the Key Audit Matters
	the carrying amount of the relevant non-current assets of the CGU in terms of Ind AS 36 on "*Impairment of Assets*". A deficit in recoverable amount compared with the carrying amount would result in an impairment. The value-in-use requires the use of significant management judgements and estimates including key assumptions such as product-mix, sales growth rate, discount rate and terminal growth rate etc. Considering significant degree of judgement in estimating value-in-use, we identified assessment of impairment of PPE and investments in subsidiaries as a key audit matter.	results to those budgeted to assess the quality of management's forecasts. • We also assessed the reasonableness of key assumptions used in the calculations, comprising sales growth rates, gross profit margin, net profit margin, perpetual growth rate and discount rates. When assessing these key assumptions, we discussed such parameters with management to understand and evaluate management's basis for determining the assumptions, and compared them to external industry outlook reports and economic growth forecasts from independent sources. • We also considered views of valuation experts in assessing the reasonableness of the discount rates used by management by comparing the discount rates used to entities with similar risk profiles and market information. • We obtained and tested management's sensitivity analysis around the key assumptions, to ascertain that selected adverse changes to key assumptions, both individually and in aggregate, would not cause the carrying amount to exceed the recoverable amount.

Information Other than the Standalone Financial Statements and Our Report thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in Annual Report, but does not include the Standalone Financial Statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this report.

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

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Those Charged With Governance and take appropriate actions in accordance with Standards on Auditing.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of the Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity, cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS and relevant provisions of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' 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 auditors' 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 the Standalone Financial Statements.

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

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- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements 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 auditors' report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatement in the Standalone Financial Statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the Standalone Financial Statement.

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

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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 Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. 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 (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the Standalone Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act ;

   e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements;

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 its Standalone Financial Statements. Refer note 4.05 to the Standalone Financial Statements;
ii. The Company has made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, on the long-term contracts including derivative contracts; and
iii. There has been no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

For G.M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569
UDIN: 20039569AAAADQ7241

Mumbai
Date: May 28, 2020

Annexure A - referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report on even date, to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2020

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its property, plant and equipment;

(b) The Company has a regular programme of physical verification of property, plant and equipment by which all property, plant and equipment of the Company are being verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. Pursuant to the program, a portion of property, plant and equipment has been physically verified by the management during the year and no material discrepancies were noticed on verification conducted during the year as compared with the book records; and

(c) Based on audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company except for following:

Particulars	Gross Block	Net Block	Remark
	As at March 31, 2020 (Rs. in Crores)		
Freehold Land/ Leasehold Land/ Premises	31.25	27.12	In the year 2009-10, vide a scheme of amalgamation approved by the relevant high courts, H. & R. Johnson (India) Limited and RMC Readymix (India) Private Limited were amalgamated into the Company. These immovable properties are continued to be in the name of the above transferor companies and as represented by the Company, it is in the process of getting these properties transferred / registered in its name. The Company is in the possession of the relevant title deeds registered in the name of H. & R. Johnson (India) Limited or RMC Readymix (India) Private Limited, as the case maybe.

(ii) (a) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable; and

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

(b) The discrepancies noticed on physical verification as compared to the book records were not material and have been properly dealt with in the books of account;

(iii) According to the information and explanations given to us, 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 Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.

(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, in respect of investments made and loans, guarantees and securities granted, as applicable.

(v) The Company has complied with the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act, and the rules framed there under, to the extent applicable. We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.

(vi) The Central Government has prescribed maintenance of cost records under section 148(1) of the Act, for the products manufactured by the Company. We have broadly reviewed the books of account maintained and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained by the Company. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) The Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other applicable statutory dues with the appropriate authorities. No undisputed statutory dues payable were in arrears as at March 31, 2020, for a period of more than six months from the date they became payable; and

(b) The details of dues of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax or cess which have not been deposited with the concerned authorities on account of dispute are given below:

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount involved (Rs. in Crores)
Central Excise and Service Tax	2012-13 to April 14	Central Excise Service Tax Appellate Tribunal	5.11
	2012-13 to Jun 17	Assistant Commissioner (Appeals)	0.52
	Apr-17 to Jun 17	Joint Commissioner	0.76
	2017-18	Assistant Commissioner of Central Tax, Bengaluru	0.07
	2008-17	Addl. Comm.	1.26
	2012-13 to 2016-17	Joint Commissioner, Indore	0.56
	2017-18	Central Tax Audit-II Commissionearate	0.01
	2015-16	Assistant Director (Cost), Audit	0.02
	2014-15 to 2017-18	Deputy Commissioner, Central Tax, Audit	0.01
	2014-15 to 2017-18	Assistant Commissioner, GST (Audit)	0.01
	2017-18	Superintendent, CGST Commissionerate	0.02
	2014-15 to 2017-18	Superintendent, GST & Central Excise, Audit	0.04
	2010-11 to 2014-15	Assistant Commissioner Central Excise, Kolkata	0.01
Sales Tax (Central & State)	2009-10	The High Court, Madhya Pradesh	0.46
	2010-11	The High Court, Madhya Pradesh	0.28
	2008-09 to 2013-14	The High Court, Madhya Pradesh	0.24
	2010-11 to 2011-12	Assessing officer, Delhi	0.19
	2014-15 to 2016-17	Joint Commissioner (Appeals), Maharashtra	2.58
	2009-10 to 2013-14	Additional Commissioner (Appeals), Madhya Pradesh	1.84
	2010-11	Assistant Commissioner Madhya Pradesh	0.16
	2002-03 to 2003-04, 2005-06, 2007-08 to 2008-09	Tribunal, Madhya Pradesh	0.38
	2012-14	Assistant Deputy Commissioner (Appeals), Telangana	0.11
	2009-10 and 2011-122009-10 and 2011-12	Commissioner (Appeals), Punjab	0.25
	2000-01 to 2001-02, 2012-13 and 2013-14	Sales tax Appellate Tribunal, Hyderabad	0.19
	2005-07	Joint Commissioner of Sales Tax, Mumbai	0.34
	2007-08 to 2009-10	Appellate Deputy Commissioner, Chennai	0.48
	2009-10	Assistant Commissioner Commercial Tax	0.35
	2009-10	Commercial Tax Officer,	1.18

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount involved (Rs. in Crores)
		Bangalore	
	2010-11	Deputy Commissioner of Commercial Tax, Gujarat	0.08
	2009-11	Joint Commissioner of Commercial Tax, Appeals Bangalore	1.07
	2011-14	Assistant Commissioner Commercial Tax, Cochin	0.11
	2012-13	Senior Joint Commissioner of Commercial Taxes, Kolkata	0.05
	2013-14	Assistant Commissioner Commercial Tax, Madhya Pradesh	0.03
	2014-15	Excise & Taxation Officer Cum Assessing Authority, Gurugram	0.06
	2015-16	Sales Tax Tribunal	0.02
	2005-06	Assessing authority (Bangalore)	0.36
	2011-12	Assessing authority (Kunigal)	0.66
	2016-18	Excise & Taxation Officer Cum Assessing Authority, Gurugram	0.18
	2016-17	Assessing Authority (Department of Commercial Tax UP)	0.09
	2015-17	Assistant Commissioner of Commercial Taxes, Ernakulum	1.81
Madhya Pradesh Commercial Tax Act, 1944	2012-13 to 2016-17	High Court, Madhya Pradesh	12.22
Madhya Pradesh Entry Tax Act, 1976	2006-07 to 2016-17	MP High Court, Madhya Pradesh	66.49
West Bengal Sales Tax Act, 1954	2013-17	Appeallate authority	2.20
Energy Development Cess, 2001	2000-01 to 2005-06	Supreme Court	8.90
Income Tax Act, 1961	2000-02	Maharashtra High Court, Mumbai	3.96
	2011-14	Income Tax Appellate Tribunal , Jabalpur	0.19
Industrial Disputes Act	2007-08	Deputy Labour Commissioner (Labour), Bangalore	0.07
West Bengal CST Sales	2012-13	Revision Board, Kolkata	0.13
REC Certificate for Solar Power	2015-2020	REC Certificate for Solar Power	2.42
Royalty on Mining Minerals	2010-11 to 2011-12	Director of Mines & Geology, Hyderabad	0.09

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount involved (Rs. in Crores)
Water Charges/ Tax	1998-99 to Dec 2019	High Court, Madhya Pradesh	8.92
Cross Subsidy on Power Purchase	2018-20	Cross Subsidy on Power Purchase Appeallate Tribunal for electricity	85.38

Amount less than Rs.50,000.

(viii) The Company has not defaulted in repayment of dues to any financial institutions, banks, government or debenture holders.

(ix) The Company has raised term loans during the year which have been applied for the purpose for which they were raised.

(x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(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 information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(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) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements, the Company has not entered into any non-cash transactions with directors. We have been informed that no such transactions

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

have been entered into with person connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No: 104767W

G.M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

Atul Shah
Partner
Membership No: 039569
UDIN: 20039569AAAADQ7241

Mumbai
Date: May 28, 2020

Annexure B - referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' report of even date, to the members of Prism Johnson Limited on the Standalone Financial Statements for the year ended March 31, 2020

Report on the Internal Financial Controls under section 143(3)(i) of the Act

Opinion

We have audited the internal financial controls with reference to Standalone Financial Statements of **Prism Johnson Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2020, based on the internal control with reference to Standalone Financial Statements 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 ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

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 with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI 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 ICAI. 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 with reference to financial statements

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

were 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 with reference to Standalone Financial Statements and their operating effectiveness.

Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI.

The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Standalone 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 with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For G. M. Kapadia& Co.
Chartered Accountants
Firm Registration No. 104767W

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No: 039569
UDIN: 20039569AAAADQ7241

Mumbai
Date: May 28, 2020

Prism Johnson Limited
Standalone Balance Sheet as at March 31, 2020
All amounts are in ₹ Crores unless otherwise stated

Particulars	Note No.	As at March 31, 2020	2019
ASSETS			
Non-current Assets			
Property, plant and equipment	2.01	2,030.19	2,016.07
Right of Use Assets	4.03	176.52	-
Capital work-in-progress	4.06	256.65	120.15
Intangible assets	2.02	24.53	18.47
Financial assets			
Investments	2.03	469.52	439.80
Loans	2.04	57.61	54.60
Other financial assets	2.05	73.76	72.97
Deferred tax assets (net)	2.06	-	24.97
Other non-current assets	2.07	162.17	209.78
Total Non-current Assets		3,250.95	2,956.81
Current Assets			
Inventories	2.08	518.49	501.18
Financial assets			
Trade receivables	2.09	678.27	704.58
Cash and cash equivalents	2.10	118.62	52.54
Bank balances other than Cash and cash equivalents	2.11	257.97	2.93
Loans	2.04	4.51	3.56
Other financial assets	2.05	7.05	5.28
Current tax assets (net)	2.12	45.89	26.21
Other current assets	2.07	109.49	147.30
Non-current assets classified as held for sale	4.18	1.65	2.70
Total Current Assets		1,741.94	1,446.28
TOTAL ASSETS		4,992.89	4,403.09
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.13	503.36	503.36
Other equity	2.14	620.16	638.75
Total Equity		1,123.52	1,142.11
Liabilities			
Non-current Liabilities			
Financial liabilities			
Borrowings	2.15	1,287.49	1,020.94
Lease Liability	4.03	136.18	-
Other financial liabilities	2.17	310.82	312.02
Provisions	2.18	23.91	22.18
Deferred tax Liabilities (net)	2.06	50.81	-
Other non-current liabilities	2.19	28.30	37.87
Total Non-current Liabilities		1,837.51	1,393.01

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

Prism Johnson Limited
Standalone Balance Sheet as at March 31, 2020
All amounts are in ₹ Crores unless otherwise stated

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
Current Liabilities			
Financial liabilities			
Borrowings	2.15	145.31	132.24
Lease Liability	4.03	33.94	-
Trade payables			
Total outstanding dues of Micro Enterprises & Small Enterprises	2.16	13.70	8.09
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	2.16	721.37	783.20
Other financial liabilities	2.17	859.40	633.19
Current tax liabilities (net)	2.20	3.22	18.61
Provisions	2.18	42.97	33.51
Other current liabilities	2.19	211.95	259.13
Total Current Liabilities		**2,031.86**	**1,867.97**
TOTAL EQUITY AND LIABILITIES		**4,992.89**	**4,403.09**

Significant Accounting Policies 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)

Ameeta A. Parpia
(Director)

Vijay Aggarwal
(Managing Director)

Vivek K. Agnihotri
(Executive Director & CEO - Cement)

Sarat Chandak
(Executive Director & CEO - HRJ)

Atul R. Desai
(Executive Director & CEO - RMC)

Manish Bhatia
(Chief Financial Officer)

Aneeta S. Kulkarni
(Company Secretary)

Place : Mumbai
Date : May 28, 2020

Prism Johnson Limited
Standalone Statement of Changes in Equity for the year ended March 31, 2020
All amounts are in ₹ Crores unless otherwise stated

A. EQUITY SHARE CAPITAL	Note No.	Amount
Balance as at April 1, 2018	2.13	503.36
Changes in equity share capital during the year		-
Balance as at March 31, 2019	2.13	503.36
Changes in equity share capital during the year		-
Balance as at March 31, 2020	2.13	503.36

B. OTHER EQUITY	Reserves and Surplus (refer note 2.14)				
	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	Total
Balance as at April 1, 2018	10.75	109.23	155.67	246.82	522.47
Profit for the year	-	-	-	145.98	145.98
Other Comprehensive Income / (loss)	-	-	-	0.64	0.64
Total Comprehensive Income for the year	10.75	109.23	155.67	393.44	669.09
Transferred to Retained Earnings	-	(12.98)	-	-	(12.98)
Dividend and Dividend Distribution Tax	-	-	-	(30.34)	(30.34)
Transferred from Debenture Redemption Reserve	-	-	-	12.98	12.98
Balance as at March 31, 2019	10.75	96.25	155.67	376.08	638.75
Balance as at April 1, 2019	10.75	96.25	155.67	376.08	638.75
Profit for the year	-	-	-	56.45	56.45
Other Comprehensive Income / (loss)	-	-	-	(14.36)	(14.36)
Total Comprehensive Income for the year	10.75	96.25	155.67	418.17	680.84
Transferred to Retained Earnings	-	(96.25)	-	-	(96.25)
Dividend and Dividend Distribution Tax	-	-	-	(60.68)	(60.68)
Transferred from Debenture Redemption Reserve	-	-	-	96.25	96.25
Balance as at March 31, 2020	10.75	-	155.67	453.74	620.16

Significant Accounting Policies Note - 1
The accompanying notes are an integral part of the financial statements.

As per our report of even date
For G. M. Kapadia & Co
Chartered Accountants
Firm Registration No. 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

Place : Mumbai
Date : May 28, 2020

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)

Ameeta A. Parpia
(Director)

Vijay Aggarwal
(Managing Director)

Vivek K. Agnihotri
(Executive Director & CEO- Cement)

Sarat Chandak
(Executive Director & CEO- HRJ)

Atul R. Desai
(Executive Director & CEO- RMC)

Manish Bhatia
(Chief Financial Officer)

Aneeta S. Kulkarni
(Company Secretary)

Prism Johnson Limited

Standalone Cash Flow Statement for the year ended March 31, 2020

All amounts are in ₹ Crores unless otherwise stated

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	131.64	230.05
Non-cash Adjustment to Profit before tax:		
Depreciation, amortisation and impairment expense	200.35	160.06
Impairment on trade receivables	19.64	13.66
Impairment/write-off of non current assets	2.63	1.87
Amortisation of processing fees	5.55	5.91
Bad debts written off	12.89	11.97
Unwinding of interests and discounts	(2.74)	(1.76)
Loss on disposal of Property, plant and equipment	1.09	1.23
Gain on sale of investments	(5.31)	-
Dividend and interest income	(16.66)	(7.27)
Finance costs	200.30	168.09
Balances written back	(0.45)	(0.19)
Exchange differences (net)	(0.10)	0.12
Impairment/write-off of Inventories	1.50	-
Other non-cash Items	1.88	1.74
Operating profit before change in operating assets and liabilities	**552.21**	**585.48**
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	(5.15)	(68.70)
Decrease/(increase) in inventories	(18.81)	(69.64)
Increase/(decrease) in trade payables	(56.08)	56.58
Decrease/(increase) in other financial assets	(2.81)	(0.27)
Decrease/(increase) in loans	(9.60)	(3.97)
Decrease/(increase) in other non-current and current assets	(185.00)	(49.29)
Increase/(decrease) in provisions	11.24	(5.53)
Increase/(decrease) in other current and non-current financial liabilities	57.44	99.84
Increase/(decrease) in other current and non-current liabilities	(62.76)	(3.59)
Cash generated from operations	280.68	540.91
Direct taxes paid (net of refunds)	35.07	42.99
Net cash flow from operating activities (A)	**245.61**	**497.92**
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for acquisition of Property, plant and equipment	(341.63)	(248.17)
Payments for purchase of investments	(47.12)	(25.27)
Proceeds from sale of investments	6.76	1.88
Proceeds from disposal of Property, plant and equipment	3.63	18.22
Interest received	16.89	7.21
Dividend received	0.02	0.04
Net cash flow used in investing activities (B)	**(361.45)**	**(246.09)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	926.36	632.23
Repayment of long term borrowings	(528.77)	(526.41)
Repayment of Lease Liability	(28.59)	-
Movement in short term borrowings (net)	13.06	(180.12)
Interest paid	(140.41)	(150.11)
Commission received	0.95	0.33
Dividend and Dividend Distribution Tax paid	(60.68)	(30.34)
Net cash flow from/(used in) financing activities (C)	**181.92**	**(254.42)**

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

Particulars	Year ended March 31,	
	2020	2019
Net increase/(decrease) in cash and cash equivalents (A+B+C)	66.08	(2.59)
Cash and cash equivalents at the beginning of the year	52.54	55.13
Cash and cash equivalents at the end of the year	**118.62**	**52.54**

Cash and cash equivalents comprise of :		
Balances with bank	117.62	47.80
Cheques/drafts on hand	0.09	3.85
Cash on hand	0.91	0.89
Total	**118.62**	**52.54**

Notes:

1. The Cash Flow Statement has been prepared using the Indirect Method set out in Ind AS 7- Statement of Cash Flows.
2. Payments for acquisition of Property, plant and equipment include movement in capital work-in-progress.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)

Ameeta A. Parpia
(Director)

Vijay Aggarwal
(Managing Director)

Vivek K. Agnihotri
(Executive Director & CEO- Cement)

Sarat Chandak
(Executive Director & CEO- HRJ)

Atul R. Desai
(Executive Director & CEO- RMC)

Place : Mumbai
Date : May 28, 2020

Manish Bhatia
(Chief Financial Officer)

Aneeta S. Kulkarni
(Company Secretary)

Prism Johnson Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Background

Prism Johnson Limited, a Public Limited Company domiciled in India, incorporated under the Companies Act, 1956, principally operates in three business segments: Cement; Tile and Bath (HRJ) and Ready Mixed Concrete (RMC). The equity shares of the Company are listed on BSE Limited and the National Stock Exchange (India) Limited.

Authorization of financial statements

The financial statements were authorized for issue in accordance with a resolution of the board of directors dated May 28, 2020.

1. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the presentation of these standalone financial statements.

1.1 Basis of Preparation

a) Compliance with Ind AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act"), and relevant rules issued thereunder and the relevant provisions of the Act. In accordance with proviso to the Rule 4A of the Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting Standards.

b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

i. certain financial assets and liabilities (including derivative instruments) are measured at fair value; and

ii. defined benefit plans - plan assets measured at fair value.

1.2 Rounding of amounts

All amounts disclosed in the financial statement and notes have been rounded off to the nearest crores, except where otherwise indicated.

1.3 Current versus non-current classification

The Company presents its assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is classified as current if it is:

a) expected to be realized or intended to be sold or consumed in normal operating cycle;

b) held primarily for the purpose of trading;

c) expected to be realized within twelve months after the reporting period; or

d) the cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

a) it is expected to be settled in normal operating cycle;

b) it is held primarily for the purpose of trading;

c) it is due to be settled within twelve months after the reporting period; or

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current on net basis.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its normal operating cycle.

1.4 Use of judgements, estimates & assumptions

While preparing financial statements in conformity with Ind AS, the management makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on our estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluates these estimates and assumptions based on the most recently available information.

Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as below :

The Company has equity stake in various entities for strategic reasons concerning its operation. The relationship with these entities have been determined based on principles laid down in Ind AS 110 – Consolidated Financial Statements and Ind AS 111 – Joint Arrangements. The entities mentioned below are considered as subsidiaries:

a) Antique Marbonite Private Limited
b) Small Johnson Floor Tiles Private Limited
c) Spectrum Johnson Tiles Private Limited
d) Sentini Cermica Private Limited
e) Coral Gold Tiles Private Limited
f) Sanskar Ceramics Private Limited

Key assumptions

a) **Evaluation of recoverability of deferred tax assets**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

b) **Assets and obligations relating to employee benefits**

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These inter alia include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c) **Useful lives of Property, plant and equipment**

The Company reviews the useful life of Property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

d) **Impairment of Property, plant and equipment**

For Property, plant and equipment and intangibles an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

e) **Impairment of investment**

For determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have estimated the future cash flow, capacity utilization, operating margins and other factors of the underlying businesses / operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

f) **Valuation of inventories**

The Company estimates the net realisable value (NRV) of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

g) **Recognition and measurement of other Provisions**

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

h) **Mine Restoration Provision**

In determining the fair value of the Mines Restoration Obligation, assumptions and estimates are made in relation to the expected cost of mines restoration and the expected timing of those costs.

i) **Fair value of financial instruments**

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. Details of the assumptions used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

1.5 Property, plant and equipment

a) Freehold land is carried at historical cost less impairment losses, if any.

b) Property, plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

c) When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

d) An item of Property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net realisable value and the carrying amount of the asset) is included in the Statement of Profit and Loss.

e) Expenditure directly attributable to setting up / construction of new projects are capitalised. Administrative and other General overhead expenses, which are specifically attributable to the setting up / construction activities, incurred during the construction period are capitalised as part of the indirect cost. Other indirect expenditure incurred during such period which are not related to the setting up / construction activities are charged to Statement of Profit and Loss. Income earned during this period from setting up activities is deducted from the total of indirect expenditure.

f) The residual values and useful lives of Property, plant and equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.

g) Long-term lease arrangements in respect of land are treated as Property, plant and equipment, in case such arrangements result in transfer of control and the present value of the lease payments is likely to represent substantially all of the fair value of the land. Cost in respect of the same is amortised over the period of respective lease arrangement.

h) Stores and spares which meet the definition of Property, plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalised as Property, Plant and Equipment.

i) Cost of mining reserve included in freehold / leasehold land, balance cost of leasehold mining land and mines development expenses are amortised systematically based on principle of Unit of Production method.

j) Depreciation on Property, plant and equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II to the Companies Act, 2013, the Company has assessed the estimated useful lives of its Property, plant and equipment and has adopted the useful lives and residual value as prescribed therein except following cases which are based on internal technical assessment:

Assets	Useful life of asset
Mobile Phones	1 - 3 years
Motor car given to employees as per the Company's scheme or vehicle used by employees	5-7 years
Leasehold land	Remaining period of the lease
Truck mixers, Loaders, Excavators and Dumpers	8 years
Leasehold Improvements	Over the period of the lease /rent agreement
Machinery spares	Over the useful life of the related assets
Plant & Machinery - Concrete Pumps	6 years

Freehold land is not depreciated.

k) The Company depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components of Property, Plant and Equipment is assessed based on the historical experience and internal technical inputs which varies from 2 to 40 years.

l) All assets costing up to ₹ 10,000/- are fully depreciated in the year of capitalisation.

1.6 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Technical know-how / license fee and application software are classified as Intangible Assets.

Intangible assets with finite lives are amortised on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each year end. The amortization expense on Intangible assets with finite lives and impairment loss is recognised in the Statement of Profit and Loss.

Estimated lives for current and comparative periods in relation to application of straight line method of amortisation of intangible assets (acquired) are as follows:

Assets	Amortisation method / Useful life
Intellectual Property Rights	10 years
Technical know-how	7 years
Software	1 - 8 years
Mineral Procurement Rights	Unit of Production method
Mining Lease Rights	Over the period of the lease

Research and Development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an Intangible asset when the Company can demonstrate the following:

a) The technical feasibility of completing the intangible asset so that it will be available for use or sale;
b) Its intention to complete the asset;
c) Its ability to use or sell the asset;
d) Ability to generate future economic benefits;
e) The availability of adequate resources to complete the development and use or sell the asset; and
f) The ability to measure reliably the expenditure attributable to the intangible asset during development.

1.7 Impairment of Assets

Carrying amount of Tangible assets, Intangible assets, investments in Subsidiaries, Joint Ventures and Associates (which are carried at cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or company's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.8 Inventories

Raw materials, fuels, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost in case of Raw material and Packing material, Stores and Spare and Traded Goods include purchase cost net of refundable taxes and other overheads incurred in bringing such items of inventory to its present location and condition. Cost of raw materials, components and stores and spares which do not meet the recognition criteria under Property, plant and equipment is determined on a weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials, labour, other direct cost and a proportion of manufacturing overheads based on normal operating capacity. Cost of inventories is computed on weighted average basis

Traded goods are valued at lower of weighted average cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory in determining net realisable value include ageing of inventory, price changes and such other related factors.

1.9 Cash and cash equivalents

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

For the purpose of statement of cash flow, cash and cash equivalents consist of cash, short-term deposits as defined above, bank overdrafts and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value as they are considered as an integral part of the Company's management.

1.10 Government Grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is deducted from the related expense. When the grant relates to an asset, it is recognised as deferred income and amortised over the useful life of such assets.

The above criteria is also used for recognition of incentives under various scheme notified by the Government.

1.11 Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition and Measurement – Financial Assets and Financial Liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through Other Comprehensive Income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

– the entity's business model for managing the financial assets and

– the contractual cash flow characteristics of the financial asset.

Amortised Cost

A financial asset is classified and measured at amortised cost if both of the following conditions are met:
– the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTOCI

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:
– the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTPL

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.
All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Classification and Subsequent measurement: Financial Liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.
Gains or losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of Financial Assets and Financial Liabilities

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

1.12 Financial liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

1.13 Investments in Subsidiaries, Associate and Joint Ventures

A Subsidiary is an entity that is controlled by another entity. An investor controls an investee if and only if the investor has the following; (i) Power over the investee, (ii) exposure, or rights, to variable returns from its involvement with the investee and (iii) the ability to use its power over the investee to affect the amount of the investor's returns.

An Associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A Joint Venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the Joint Venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company's investments in its Subsidiaries, Associate and Joint Ventures are accounted at cost.

1.14 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.15 Provisions, Contingent liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed in the case of:

- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from the past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent Assets is disclosed when inflow of economic benefits is probable.

1.16 Gratuity and other post-employment benefits

a) Short-term obligations

Short term employee benefits are recognised as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

b) Post-employment obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund, superannuation fund and national pension scheme.

Gratuity obligations

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement Profit and Loss as past service cost.

Defined contribution plans

The Company contributes to Superannuation, Employee's State Insurance Corporation, Provident Fund and subscribes to the National Pension Scheme which are considered as defined contribution plans. A contribution is made to Regional Provident Fund Commissioner for certain employees. In case of other employees covered under the Provident Fund Trust of the Company, the management does not expect any material liability on account of interest shortfall to be borne by the Company. The said contributions are charged to the Statement of Profit and Loss.

c) Other long-term employee benefit obligations

The liabilities for leave are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

1.17 Revenue Recognition

a) REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company derives revenues primarily from sale of products and services. Revenue from sale of goods is recognised net of returns and discounts.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those products or services.

To recognize revenues, the Company applies the following five step approach:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognize revenues when a performance obligation is satisfied.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Company presents revenues net of indirect taxes in its statement of profit and loss.

Performance obligation may be satisfied over time or at a point in time. Performance obligations satisfied over time if any one of the following criteria is met. In such cases, revenue is recognized over time.

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance; or

2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

3. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

b) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method.

c) Dividend Income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

1.18 Taxes on Income

Current Tax

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss.
Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets 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 deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

The break-up of the major components of the deferred tax assets and liabilities as at Balance Sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

1.19 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.20 Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" using the modified retrospective approach, under which the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognized. Accordingly, the comparative information has not been restated and continues to be reported under Ind AS 17 "Lease". Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information. The following is the summary of the new and/or revised significant accounting policies related to Leases. Refer Note 1 "Significant Accounting policies", in the Company's 2019 Annual Report for the policies in effect for Leases prior to April 1, 2019. The effect of transition on Ind AS 116 was insignificant.

Company as a lessee

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether : (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets as below.

Right of use (ROU) assets

The Company recognises right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of Use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease Liabilities

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset.

Lease liabilities and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.21 Foreign currency translation

a) Functional and presentation currency

The Company's financial statements are prepared in INR, which is also the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

In case of advance payment for purchase of assets/goods/services and advance receipt against sales of products/services, all such purchase/sales transaction are recorded at the rate at which such advances are paid/received.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains / (losses).

Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.22 Mine Restoration Provision

The Company provides for the estimated expenditure required to restore quarries and mines. The total estimate of restoration expenses is apportioned over the estimate of mineral reserves and a provision is made based on minerals extracted during the year. Mines restoration expenses are incurred on an ongoing basis and until the closure of the quarries and mines. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure. On the basis of technical parameters, restoration expenses estimates are reviewed periodically.

1.23 Non-current assets held for Sale

Non-current assets are classified as 'held for sale' when all of the following criteria's are met: (i) decision has been made to sell. (ii) the assets are available for immediate sale in its present condition. (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date. Subsequently, such non-current assets classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised. Any decrease in fair value of asset (less cost of sale) is recognised through profit and loss as impairment loss. Any subsequent increase in fair value of asset to the extent of previously recognised impairment loss is recognised as gain and any gain exceeding this impairment loss is recognised on the date of de-recognition.

All amounts are in ₹ Crores unless otherwise stated

2.01 Property, plant and equipment

Particulars	Gross Carrying Amount				Depreciation/Impairment				Net Carrying Amount	
	As at April 01, 2019	Addition/ Adjustments	Disposal/Adjustments	As at March 31, 2020	As at April 01, 2019	For the Year	Elimination on disposal/Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Own Assets										
Land - Freehold	614.23	54.21	0.01	668.43	20.96	8.30	-	29.26	639.17	593.27
Buildings	190.19	14.48	4.35	200.32	40.86	13.26	2.11	52.01	148.31	149.33
Plant and Machinery	1,477.85	99.17	25.58	1,551.44	378.61	101.32	22.40	457.53	1,093.91	1,099.24
Railway siding	4.46	-	-	4.46	0.76	0.29	-	1.05	3.41	3.70
Office Equipment	13.22	2.26	(0.14)	15.62	5.86	2.11	(0.16)	8.13	7.49	7.36
Computers	14.98	2.73	0.90	16.81	8.86	2.65	0.79	10.72	6.09	6.12
Mines Development	189.79	37.00	-	226.79	113.30	27.01	-	140.31	86.48	76.49
Furniture & Fixtures	39.85	7.05	2.93	43.97	15.01	4.73	2.86	16.88	27.09	24.84
Vehicles	17.83	1.78	2.59	17.02	8.42	2.49	1.91	9.00	8.02	9.41
Truck Mixers, Loaders and Dumpers	11.55	2.15	3.03	10.67	10.17	0.70	3.03	7.84	2.83	1.38
Total A	2,573.95	220.83	39.25	2,755.53	602.81	162.86	32.94	732.73	2,022.80	1,971.14
Leased Assets										
Leasehold Land (Long term - refer note 1.5(g)) B	-	8.85	1.37	7.48	-	0.23	0.14	0.09	7.39	-
Assets taken on Finance Lease: (Under Ind AS 17)										
Land	10.05	-	10.05	-	1.20	-	1.20	-	-	8.85
Plant and Machinery	45.58	-	45.58	-	9.91	-	9.91	-	-	35.67
Vehicles	0.53	-	0.53	-	0.12	-	0.12	-	-	0.41
Total C	56.16	-	56.16	-	11.23	-	11.23	-	-	44.93
Total (A+B+C)	2,630.11	229.68	96.78	2,763.01	614.04	163.09	44.31	732.82	2,030.19	2,016.07

Prism Johnson Limited
Notes to Standalone Financial Statements for the year ended March 31, 2020
All amounts are in ₹ Crores unless otherwise stated

Particulars	Gross Carrying Amount				Depreciation/Impairment				Net Carrying Amount	
	As at April 01, 2018	Addition/ Adjustments	Disposal	As at March 31, 2019	As at April 01, 2018	For the Year	Elimination on disposal	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Own Assets										
Land - Freehold	565.72	48.93	0.42	614.23	13.21	7.75	-	20.96	593.27	552.51
Buildings	189.54	4.17	3.52	190.19	31.69	11.25	2.08	40.86	149.33	157.85
Plant and Machinery	1,452.14	86.38	60.67	1,477.85	328.40	95.07	44.86	378.61	1,099.24	1,123.74
Railway siding	3.42	1.04	-	4.46	0.57	0.19	-	0.76	3.70	2.85
Office Equipment	11.47	2.42	0.67	13.22	4.86	1.59	0.59	5.86	7.36	6.61
Computers	13.08	3.62	1.72	14.98	7.29	2.76	1.19	8.86	6.12	5.79
Mines Development	160.56	29.23	-	189.79	86.78	26.52	-	113.30	76.49	73.78
Furniture & Fixtures	31.34	8.81	0.30	39.85	11.17	4.03	0.19	15.01	24.84	20.17
Vehicles	16.54	3.61	2.32	17.83	7.33	2.45	1.36	8.42	9.41	9.21
Truck Mixers, Loaders and Dumpers	11.26	0.29	-	11.55	8.96	1.21	-	10.17	1.38	2.30
Total A	**2,455.07**	**188.50**	**69.62**	**2,573.95**	**500.26**	**152.82**	**50.27**	**602.81**	**1,971.14**	**1,954.81**
Assets taken on Finance Lease: (Under Ind AS 17)										
Land	10.05	-	-	10.05	0.98	0.22	-	1.20	8.85	9.07
Plant and Machinery	37.62	7.96	-	45.58	4.94	4.97	-	9.91	35.67	32.68
Vehicles	0.41	0.12	-	0.53	0.06	0.06	-	0.12	0.41	0.35
Total B	**48.08**	**8.08**	-	**56.16**	**5.98**	**5.25**	-	**11.23**	**44.93**	**42.10**
Total A+B	**2,503.15**	**196.58**	**69.62**	**2,630.11**	**506.24**	**158.07**	**50.27**	**614.04**	**2,016.07**	**1,996.91**

Notes :

a) Depreciation for the year includes ₹ 2.86 Crores (Previous year : ₹ 1.61 Crores) considered for capitalisation.

b) Amortisation in case of Freehold Land represent amortisation of mining reserve on extraction basis.

c) Additions to Plant & Machinery during the year includes ₹ 0.89 Crores (Previous year : ₹ 1.78 Crores) on account of Research assets.

d) During the year, depreciation on Right of Use assets is ₹ 36.25 Crores (Previous year : Nil) which is not forming part of the above schedule and disclosed in Note no. 4.03 on leases.

e) Other adjustments include reclassification of assets taken on Finance Lease in terms of Ind AS 17 to Right of Use assets on account of adoption of Ind AS 116 (Refer Note no. 4.03)

f) Addition to Freehold Land is net- off liabilities no longer required to be paid.

All amounts are in ₹ Crores unless otherwise stated

2.02 Intangible Assets

Particulars	Gross Carrying Amount				Amortisation				Net Carrying Amount	
	As at April 01, 2019	Addition	Disposal	As at March 31, 2020	As at April 01, 2019	For the Year	Elimination on disposal	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Software	20.43	6.46	0.39	26.50	9.55	3.13	0.39	12.29	14.21	10.88
Intellectual Property Rights	1.77	-	-	1.77	1.77	-	-	1.77	-	-
Mining Lease Rights	8.25	2.97	-	11.22	1.68	0.46	-	2.14	9.08	6.57
Minerals Procurement Rights	2.28	-	-	2.28	2.26	-	-	2.26	0.02	0.02
Technical Know-how	1.27	0.50	-	1.77	0.27	0.28	-	0.55	1.22	1.00
Total	34.00	9.93	0.39	43.54	15.53	3.87	0.39	19.01	24.53	18.47

Particulars	Gross Carrying Amount				Amortisation				Net Carrying Amount	
	As at April 01, 2018	Addition	Disposal	As at March 31, 2019	As at April 01, 2018	For the Year	Elimination on disposal	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Software	15.50	4.93	-	20.43	6.56	2.99	-	9.55	10.88	8.94
Intellectual Property Rights	1.77	-	-	1.77	1.77	-	-	1.77	-	-
Mining Lease Rights	8.25	-	-	8.25	1.24	0.44	-	1.68	6.57	7.01
Minerals Procurement Rights	2.28	-	-	2.28	2.26	-	-	2.26	0.02	0.02
Technical Know-how	0.14	1.13	-	1.27	0.10	0.17	-	0.27	1.00	0.04
Total	27.94	6.06	-	34.00	11.93	3.60	-	15.53	18.47	16.01

Range of remaining period of amortisation as at March 31, 2020 of Intangible assets is as below:

Assets	Range of remaining period of amortisation			
	< 5 year	6 - 10 year	> 10 year	Net Carrying Amount
Software	8.26	5.95	-	14.21
Mining Lease Rights	3.08	4.71	1.29	9.08
Minerals Procurement Rights	0.02	-	-	0.02
Technical Know-how	0.81	0.41	-	1.22
Total	12.17	11.07	1.29	24.53

All amounts are in ₹ Crores unless otherwise stated

2.03 Investments

Particulars	Face Value ₹	As at March 31, 2020 Qty	2020 Amount	2019 Qty	2019 Amount
Investments in Equity Instruments (fully paid up) - Unquoted					
Investment in Subsidiaries - measured at cost					
-Raheja QBE General Insurance Company Limited	10	10,55,70,000	105.57	10,55,70,000	105.57
- Silica Ceramica Private Limited #	10	12,16,08,283	248.47	8,65,45,783	213.31
- H. & R. Johnson (India) TBK Limited	100	1,61,020	29.71	1,61,020	29.71
- Antique Marbonite Private Limited #	10	30,09,000	15.08	30,09,000	15.08
- Small Johnson Floor Tiles Private Limited *	10	20,00,000	13.30	20,00,000	13.30
- Sentini Cermica Private Limited #	10	17,10,000	8.55	20,00,000	10.00
- Milano Bathroom Fittings Private Limited *	100	72,446	9.09	72,446	9.09
- Spectrum Johnson Tiles Private Limited	10	21,65,388	8.03	21,65,388	8.03
- Coral Gold Tiles Private Limited	10	26,00,000	5.46	26,00,000	5.46
- Sanskar Ceramics Private Limited $	10	15,00,000	5.25	-	-
- RMC Readymix Porselano (India) Limited	10	50,000	0.05	50,000	0.05
Investment in Joint Venture - measured at cost					
- Ardex Endura (India) Private Limited	10	65,00,000	6.50	65,00,000	6.50
Investment in Associates - measured at cost					
- Prism Power and Infrastructure Private Limited	10	4,900	-	4,900	-
- CSE Solar Parks Satna Private Limited	10	55,00,000	5.50	2,70,001	0.27
- Sunspring Solar Private Limited	10	14,78,412	1.48	-	-
Other Investments designated at FVTOCI					
- B L A Power Private Limited (Refer note no. 4.08)	10	1,75,00,000	5.18	1,75,00,000	21.30
(A)			467.22		437.67

Particulars		Face Value ₹	As at March 31, 2020 Qty	2020 Amount	2019 Qty	2019 Amount
Investments in Preference shares (fully paid up) - Unquoted						
Investment in Subsidiaries- measured at amortised cost						
- Milano Bathroom Fittings Private Limited (1% Non-cumulative and Redeemable Preference Shares)		100	2,00,000	0.85	2,00,000	0.80
- Small Johnson Floor Tiles Private Limited (0.01% Non-cumulative Optionally Convertible Preference Shares)		10	40,00,000	1.45	40,00,000	1.33
	(B)			2.30		2.13
Total non-current investments (A + B)				469.52		439.80
Aggregate book value of quoted investments				-		-
Aggregate market value of investments designated at FVTOCI				5.18		21.30
Aggregate amount of unquoted investments				464.34		418.50

Company has given Non Disposal Undertaking to certain banks for its investment in above Subsidiaries.

* Investment in Subsidiaries viz Milano Bathroom Fittings Private Limited and Small Johnson Floor Tiles Private Limited includes equity component recognised from 1% Non-cumulative and Redeemable Preference Shares and 0.01% Non-cumulative Optionally Convertible Preference Shares respectively. The carrying value of such equity component is ₹ 2.36 Crores (Previous year : ₹ 2.36 Crores) and ₹ 3.30 Crores (Previous year : ₹ 3.30 Crores) with respect to these Companies.

$ During the year, the Company has purchased 15,00,000 shares of Sanskar Ceramics Private Limited from Small Johnson Floor Tiles Private Limited.

2.04 Loans

Particulars		Non Current As at March 31, 2020	Non Current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Security Deposits-Utility					
Unsecured, considered good		36.79	33.66	1.61	1.05
	(a)	**36.79**	**33.66**	**1.61**	**1.05**
Security Deposits-Rental					
Unsecured, considered good		15.61	15.45	-	-
Unsecured, credit impaired		0.74	0.77	-	-
		16.35	16.22	-	-
Less : Provision for Impairment		0.74	0.77	-	-
	(b)	**15.61**	**15.45**	-	-
Loans to related parties					
Loan to a subsidiary company (*)					
Unsecured, considered good		4.00	4.00	-	-
	(c)	**4.00**	**4.00**	-	-
Loans to employees					
Unsecured, considered good		1.21	1.49	2.90	2.51
	(d)	**1.21**	**1.49**	**2.90**	**2.51**
Total	(a + b + c + d)	57.61	54.60	4.51	3.56

Note:

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member except security deposit of ₹ 0.06 Crores (Previous year : ₹ 0.06 Crores) for premises given to Director.

(*) Further information about these loans is set out in notes 4.12 and 4.13.

All amounts are in ₹ Crores unless otherwise stated

2.05 Other financial assets

Particulars	Non Current As at March 31, 2020	Non Current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Insurance claim receivable (refer note 4.17)	58.94	58.94	2.56	4.12
Bank deposits with more than twelve months maturity (restricted use)	0.84	0.05	2.54	-
Accrued Interest	-	-	0.89	1.14
Balances in Escrow accounts with banks (restricted use)	0.05	0.05	-	-
Balances related to Coal Mine and Infrastructure (refer note 4.16)	13.93	13.93	-	-
Other receivables	-	-	1.06	0.02
Total	73.76	72.97	7.05	5.28

2.06 Deferred tax assets/(liabilities) (net)

Significant components of deferred tax assets/(liabilities) recognized in the financial statements are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax (liabilities)/assets in relation to :		
Unabsorbed depreciation/ Business loss as per Income Tax	64.72	32.54
Provision for Employees Benefits	56.83	58.29
Other temporary differences / unutilised tax asset	(54.92)	72.14
Property, plant and equipment	(117.44)	(138.00)
Total	(50.81)	24.97

Particulars	As at March 31, 2020	Credited / (Charged) to Statement of P&L /OCI	As at March 31, 2019	Credited / (Charged) to Statement of P&L /OCI	As at March 31, 2018
Deferred tax (liabilities)/assets in relation to :					
Unabsorbed depreciation/ Business loss as per Income Tax	64.72	32.18	32.54	(94.44)	126.98
Provision for Employees Benefits	56.83	(1.46)	58.29	3.37	54.92
Other temporary differences / unutilised tax asset	(54.92)	(127.06)	72.14	41.08	31.06
Property, plant and equipment	(117.44)	20.56	(138.00)	18.58	(156.58)
Total	(50.81)	(75.78)	24.97	(31.41)	56.38

All amounts are in ₹ Crores unless otherwise stated

2.07 **Other assets**

Particulars	Non Current As at March 31,		Current As at March 31,	
	2020	2019	2020	2019
Capital Advances				
Unsecured, considered good	53.57	74.04	-	-
Doubtful	0.34	-	-	-
	53.91	74.04	-	-
Less : Provision for Impairment	0.17	-	-	-
	53.74	74.04	-	-
Advances other than Capital Advances				
Balances with government authorities:				
CENVAT/ VAT/GST receivables	-	-	30.55	32.52
Balances with statutory authorities	-	-	0.55	0.28
Excise/ VAT/ Service Tax/ Custom duty deposited under protest	31.07	39.28	0.19	0.76
Security Deposits	4.69	5.52	0.91	0.16
Advances to other parties (net of provision for impairment)	15.46	15.63	27.97	66.84
Prepaid expenses	2.73	2.27	17.05	17.72
Royalty refund receivable	-	-	17.12	17.12
Others	54.48	73.04	15.15	11.90
Total	**162.17**	**209.78**	**109.49**	**147.30**

Note:
No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

2.08 Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
Raw materials	122.09	106.61
Goods-in-transit	0.37	0.82
Stores and spares	61.08	61.83
Goods-in-transit	0.17	0.01
Fuel Stock	53.61	23.73
Goods-in-transit	5.55	76.16
Work-in-progress	69.19	64.13
Finished goods	142.18	108.56
Goods-in-transit	12.54	18.55
Stock-in-trade	51.69	40.18
Goods-in-transit	0.02	0.60
Total	**518.49**	**501.18**

Notes:

(a) Amount charged to the Statement of Profit and Loss on account of write-down of inventories to net realisable value for the year is ₹ 20.90 Crores (Previous year : ₹ 11.44 Crores).

(b) Above inventory includes damaged stock of finished goods of cement amounting to ₹ 2.95 Crores (Previous year: ₹ 0.51 Crores) in respect of which insurance claims have been lodged. The management expects to recover the amount atleast equal to it's carrying value.

2.09 Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Secured, considered good	81.60	55.00
Unsecured, considered good	596.67	649.58
Unsecured, credit impaired	140.77	121.13
	819.04	825.71
Less: Provision for impairment	140.77	121.13
Total	678.27	704.58

Note:

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

All amounts are in ₹ Crores unless otherwise stated

2.10 Cash and Cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks:		
In current accounts	5.10	44.32
Deposits with original maturity of less than three months	112.52	3.48
Cheques / drafts on hand	0.09	3.85
Cash on hand	0.91	0.89
Total	118.62	52.54

2.11 Bank balances other than Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Unclaimed Dividend	0.65	0.46
Term Deposits (original maturity for more than three months but less than twelve months)	256.68	-
Term Deposits (original maturity for more than three months but less than twelve months -restricted use)	0.64	2.47
Total	257.97	2.93

2.12 Current Tax Assets (net)

Particulars	As at March 31, 2020	As at March 31, 2019
Current Tax Assets		
Taxes paid (net of provision)	45.89	26.21
Total	45.89	26.21

All amounts are in ₹ Crores unless otherwise stated

2.13 Equity Share Capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised Share Capital :		
52,50,00,000 (Previous year : 52,50,00,000) Equity shares of ₹10/- each	525.00	525.00
Total	525.00	525.00
Issued, Subscribed and Paid up :		
50,33,56,580 (Previous year : 50,33,56,580) Equity shares of ₹10/- each	503.36	503.36
Total	503.36	503.36

a. Reconciliation of shares outstanding as at the beginning and at the end of the reporting period:

Equity shares	As at March 31, 2020	As at March 31, 2019
At the beginning of the year	50,33,56,580	50,33,56,580
Outstanding at the end of the year	**50,33,56,580**	**50,33,56,580**

b. Rights, preference and restrictions attached to Equity shares:

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per equity share. The shareholders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company in proportion to their shareholding after distribution of all preferential amounts.

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

Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% of holding	No. of Shares	% of holding
Manali Investment & Finance Private Limited	6,78,17,992	13.47%	6,78,17,992	13.47%
Hathway Investments Private Limited	6,41,13,400	12.74%	6,41,13,400	12.74%
Coronet Investments Private Limited	5,79,49,394	11.51%	5,79,49,394	11.51%
Rajan B. Raheja	5,14,06,327	10.21%	5,14,06,327	10.21%
Bloomingdale Investment & Finance Private Limited	3,15,07,000	6.26%	3,12,89,300	6.22%

All amounts are in ₹ Crores unless otherwise stated

2.14 Other Equity

Particulars	As at March 31, 2020	As at March 31, 2019
General reserve	155.67	155.67
Retained earnings	453.74	376.08
Capital redemption reserve	10.75	10.75
Debentures redemption reserve	-	96.25
Total	**620.16**	**638.75**

Description of the nature and purpose of each reserve within equity is as follows:

(a) **General Reserve :**
The Company had transferred a portion of the net profit of the Company before declaring dividend to the general reserve pursuant to the earlier provisions of the Companies Act, 1956. Mandatory transfer to general reserve before declaration of dividend is not required under the Companies Act, 2013.

(b) **Retained Earnings :**
Retained earnings are the net profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves, debenture redemption reserve etc., amount distributed as dividend and adjustments in terms of Ind AS 101.

(c) **Capital Redemption Reserve :**
Capital redemption reserve was created pursuant to the scheme of amalgamation.

(d) **Debenture Redemption Reserve (DRR) :**
The Company has issued non-convertible debentures. Pursuant to the Companies (Share Capital and Debentures) Amendment Rules, 2019 effective from August 16, 2019, the Company is not required to create a DRR of 25% of the value of its outstanding Non-convertible debentures. Accordingly, the balance in DRR is transferred to Retained Earnings.

2.15 Borrowings

Particulars	Non Current As at March 31, 2020	Non Current As at March 31, 2019
Secured		
Bonds / Debentures		
- 10.40% Non-convertible Debentures (refer Sr. No.1)	80.00	80.00
{800 Nos. (Previous year : 800 Nos.) debentures of ₹ 0.10 Crore each}		
- 10.40% Non-convertible Debentures (refer Sr. No.2)	120.00	120.00
{1200 Nos. (Previous year : 1200 Nos.) debentures of ₹ 0.10 Crore each}		
- 10.70% Non-Convertible Debentures (refer Sr. No.3)	100.00	100.00
{1000 Nos. (Previous year : 1000 Nos.) debentures of ₹ 0.10 Crore each}		
- 9.25% Non-convertible Debentures (refer Sr. No.4)	178.10	200.00
{1781 Nos. (Previous year : 2000 Nos.) debentures of ₹ 0.10 Crore each}		
- 9.00% Non-convertible Debentures (refer Sr. No.5)	-	150.00
{Nil (Previous year : 1500 Nos.) debentures of ₹ 0.10 Crore each}		
Term loans		
from banks (refer Sr. No. 6 to 16)	811.11	523.23
Vehicle loans (refer Sr. No. 17 to 19)		
from banks	2.83	4.09
Unsecured		
- 10.70% Non-Convertible Debentures (refer Sr. No. 24)	115.00	-
{1150 Nos. (Previous year : Nil) debentures of ₹ 0.10 Crore each}		
- 10.00% Non-Convertible Debentures (refer Sr. No. 25)	84.00	-
{840 Nos. (Previous year : Nil) debentures of ₹ 0.10 Crore each}		
- 10.40% Non-Convertible Debentures (refer Sr. No. 26)	50.00	50.00
{500 Nos. (Previous year : 500 Nos.) debentures of ₹ 0.10 Crore each}		
- 10.65% Non-Convertible Debentures (refer Sr. No. 27)	75.00	75.00
{750 Nos. (Previous year : 750 Nos.) debentures of ₹ 0.10 Crore each}		
Term loans from banks (refer Sr. No. 28)	89.82	-
Inter-corporate deposits (refer Sr. No. 29)	-	0.13
Fixed deposits from public (refer Sr. No. 30)	0.57	6.41
Finance lease obligations (refer Sr. No. 31)	-	28.75
	1,706.43	1,337.61
Less: Disclosed under other Financial Liabilities		
Current maturities of Non-current borrowings	418.37	306.27
Current maturities of finance lease obligations	-	8.47
Unclaimed fixed deposits	0.57	1.93
Total	1,287.49	1,020.94

Particulars	Current As at March 31, 2020	Current As at March 31, 2019
Secured		
Loans repayable to banks		
On Demand (refer Sr. No. 20 to 22)	19.36	24.01
Buyer's Credit (refer Sr. No. 23)	25.95	8.23
Unsecured (refer Sr. No. 32)		
Commercial Papers	100.00	100.00
(Maximum balance outstanding during the year ₹ 150 Crores (Previous year : ₹ 100 Crores))		
Total	145.31	132.24

(a) Debentures (Secured) :

The Company has issued the following Secured Redeemable Non-convertible Debentures:

S.No.	Nature of Security	Terms of Repayment	As at March 31, 2020	As at March 31, 2019
1	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future, except leased assets.	Allotted on August 31, 2018 and repayable at 10.40 % pa XIRR basis redemption premium on September 27, 2021.	80.00	80.00
2	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future, except leased assets.	Allotted on August 3, 2018 and repayable at 10.40 % pa XIRR basis redemption premium on June 22, 2021.	120.00	120.00
3	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, except leased assets.	Allotted on November 10, 2017 and repayable on November 10, 2020 with Put / Call option at par on November 12, 2018 and November 11, 2019.	100.00	100.00
4	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, except leased assets.	Allotted on December 13, 2016 and repayable at 9.25 % pa XIRR basis redemption premium on April 29, 2020. During the year, part prepayment was made for ₹ 21.90 Crores on March 23, 2020	178.10	200.00
5	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, except leased assets.	Allotted on January 21, 2015 and repayable on January 21, 2020 with call option at par on July 21, 2016 and Put / Call option at par on July 20, 2018; January 21, 2019; July 19, 2019. During the year, the terms of Non convertible debentures were modified with the consent of Debenture holder and ROI decreased to 9.00 %.	-	150.00
	Total		478.10	650.00

(b) Nature of Security and terms of repayment for secured borrowings (other than debentures):

S.No.	Nature of Security	Terms of Repayment	As at March 31, 2020	As at March 31, 2019
6	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future.	Quarterly in equal installments payable over a period of 6 years commencing after moratorium period of two years. Availed on March 16, 2016.	47.50	142.50
7	First exclusive charge on the office premises of HRJ division on units 1 to 4 on 7th Floor, Windsor.	Quarterly installments payable over a period of 54 Months: ₹ 4.16 Crores each per quarter from November 17, 2018.	25.00	41.67
8	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 13 equal installments payable from the last day of 18th month from date of first drawdown of facility availed on April 21, 2017.	-	59.23
9	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 13 equal installments payable from the last day of 18th month from date of first drawdown of facility availed on July 20, 2017.	-	83.08
10	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 19 equal installments payable from the last day of 9th month from date of first drawdown of facility availed on September 27, 2018.	57.89	100.00
11	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 19 equal installments payable from the last day of 9th month from date of first drawdown of facility availed on November 19, 2018.	63.16	100.00
12	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 17 structured installments payable from the last day of 9th month from date of first drawdown of facility availed on September 20, 2019.	200.00	-
13	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 17 structured installments payable from the last day of 9th month from date of first drawdown of facility availed on September 13, 2019.	150.00	-
14	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 17 structured installments payable from the last day of 9th month from date of first drawdown of facility availed on September 18, 2019.	75.00	-
15	Secured by exclusive charge on all the movable Property, plant and equipment in relation to the Waste Heat Recovery System of the company , both present and future.	Quarterly in 23 structured installments payable from the last day of 18th month from date of first drawdown of facility availed on March 18, 2020.	75.00	-

All amounts are in ₹ Crores unless otherwise stated

S.No.	Nature of Security	Terms of Repayment	As at March 31,	
			2020	2019
16	Secured by exclusive charge over the movable Property, plant and equipment of specified plants of the HRJ division namely Dewas, Pen, Kunigal and Karaikal, both present and future.	Quarterly in 17 structured installments payable from the last day of 9th month from date of first drawdown of facility availed on September 30, 2019.	125.00	-
17	Secured by exclusive charge on vehicles of HRJ Division.	EMI over a period of 60 months from the respective date of disbursement.	2.03	3.26
18	First and exclusive charge secured by hypothecation of vehicles financed to RMC Division.	EMI over a period of 60 months from the respective date of disbursement.	0.34	0.47
19	Secured by exclusive charge on vehicles of Cement Division.	EMI over a period of 60 months from the respective date of disbursement.	0.46	0.36
20	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of Cement Division.	Payable within one year.	0.47	-
21	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of HRJ Division.	Payable within one year.	12.75	24.01
22	Secured by first pari passu charge over entire current assets both present and future of RMC Division.	Payable within one year.	6.14	-
23	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of HRJ Division.	As per due dates of respective buyer's credit.	25.95	8.23
	Total		2,886.69	2,581.81
	Less: Unamortised borrowing costs		7.44	3.25
	Total		2,879.25	2,578.56

All amounts are in ₹ Crores unless otherwise stated

(c) Nature of Security and terms of repayment for unsecured borrowings :

S.No.	Nature of Security	Terms of Repayment	As at March 31, 2020	As at March 31, 2019
	Non-current Borrowings:			
24	Non-Convertible Debentures	Allotted on July 26, 2019 and repayable on July 25, 2022 .	115.00	-
25	Non-Convertible Debentures	Allotted on January 31, 2020 and repayable on January 31 2023 with Put / Call option at par on January 31, 2022.	84.00	-
26	Non-Convertible Debentures	Allotted on September 17, 2018 and repayable on September 17, 2021 with Put / Call option at par on September 17, 2020.	50.00	50.00
27	Non-Convertible Debentures	Allotted on April 11, 2018 and repayable on April 9, 2021 with Put / Call option at par on April 11, 2019 and April 11, 2020.	75.00	75.00
28	Term Loan	Quarterly in 10 equal installments payable from the last day of 9th month from date of first drawdown of facility availed on May 27, 2019.	90.00	-
29	Inter corporate deposits	Original terms of repayment was three years from April 01, 2016. However, the same has been revised from April 01, 2018 for a period of one year.	-	0.13
30	Fixed deposits from public	Payable over a period of one to two years from the respective date of disbursement.	0.57	6.41
31	Finance lease obligation	Payable over period of 5 years from the respective date of disbursement.	-	28.75
32	Current Borrowings		100.00	100.00
	Total		514.57	260.29
	Less: Unamortised borrowing costs		0.18	-
	Total		514.39	260.29
	Total Borrowings (a + b + c)		3,871.74	3,488.85

All amounts are in ₹ Crores unless otherwise stated

(d) Assets pledged as security:

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Receivables	678.27	704.58
Inventories	518.49	501.18
Total (a)	1,196.76	1,205.76
Non - current		
Freehold Land	602.65	556.74
Buildings	86.37	80.48
Plant and Machinery	910.69	895.83
Railway Siding	3.41	3.70
Office Equipments	4.02	3.84
Furniture and Fixtures	4.11	4.20
Computers	1.95	2.27
Mines Development	80.33	70.31
Vehicles	4.08	5.11
Movable Tangible assets at Pen, Dewas and Kunigal	188.50	-
Total (b)	1,886.11	1,622.48
Total (a+b)	3,082.87	2,828.24

2.16 Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of Micro Enterprises & Small Enterprises (refer note 4.22)	13.70	8.09
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	721.37	783.20
Total	735.07	791.29

All amounts are in ₹ Crores unless otherwise stated

2.17 Other financial liabilities

Particulars	Non Current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Current maturities of non-current borrowings	-	-	418.37	306.27
Current maturities of finance lease obligations	-	-	-	8.47
Payables for acquisition of Property, plant and equipment	-	-	31.93	29.31
Interest accrued	37.53	60.56	96.85	17.26
Unclaimed dividends*	-	-	0.65	0.46
Unpaid matured deposits and interest accrued thereon	-	-	0.78	2.31
Security deposits from customers / others	264.46	248.47	18.52	11.48
Payable to employees	-	-	7.53	7.12
Financial lease obligations	2.03	2.06	-	-
Finance guarantee obligations	0.01	0.09	-	0.63
Liability for expenses	6.79	0.84	283.42	248.77
Others	-	-	1.35	1.11
Total	**310.82**	**312.02**	**859.40**	**633.19**

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2020 (Previous year : Nil).

Details of current maturities of non-current borrowings :

Particulars	As at March 31,	
	2020	2019
Secured Loans :		
Non-convertible debentures	278.10	150.00
Term loans	99.17	150.24
Vehicle loans	1.10	1.42
Unsecured Loans :		
Term loans	40.00	-
Fixed deposits from public	-	4.48
Inter-corporate deposits	-	0.13
Total	418.37	306.27

All amounts are in ₹ Crores unless otherwise stated

2.18 Provisions

Particulars		Non Current As at March 31, 2020	Non Current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Employee benefits :					
Provision for Gratuity		0.35	-	-	0.05
Provision for Bonus		-	-	13.56	12.36
Provision for Leave Encashment		17.43	16.96	15.35	8.81
Others		-	-	14.06	12.29
	(a)	17.78	16.96	42.97	33.51
Others :					
Provision for claims under litigations		0.07	0.07	-	-
Others		6.06	5.15	-	-
	(b)	6.13	5.22	-	-
Total	(a+b)	23.91	22.18	42.97	33.51

2.19 Other liabilities

Particulars	Non Current As at March 31, 2020	Non Current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Advance from customers	0.19	1.55	73.84	70.55
Statutory liabilities	26.19	26.26	59.11	113.71
Other employee benefit expenses	-	-	20.07	15.90
Others	1.92	10.06	58.93	58.97
Total	28.30	37.87	211.95	259.13

2.20 Current Tax Liabilities (net)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Taxation (net of taxes paid/adjusted)	3.22	18.61
Total	3.22	18.61

3.01 Revenue from operations

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations		
Sale of products	5,508.33	5,909.62
Sale of services	45.14	20.97
Other operating revenue		
Scrap sales	8.41	11.13
Claims and recoveries	3.18	5.36
Export incentive	1.04	2.45
Others	6.19	6.04
Total	5,572.29	5,955.57

Revenue from Contracts with Customers :

I. Revenue from contracts with customers disaggregated based on geography :

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Home market	5,507.06	5,902.41
Exports	65.23	53.16
Total	5,572.29	5,955.57

II. Reconciliation of gross revenue with the revenue from Contracts with Customers :

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Gross Revenue	5,909.02	6,224.67
Less: Discounts and incentives	336.73	269.10
Net Revenue recognised from Contracts with Customers	5,572.29	5,955.57

III. Revenue recognised from Contract liability (Advances from Customers) :

Particulars	As at March 31, 2020	As at March 31, 2019
Closing Contract liability	74.03	72.10

The contract liability outstanding at the beginning of the year was ₹ 72.10 Crores, of which ₹ 58.07 Crores has been recognised as revenue during the year ended March 31, 2020.

Management conclude that disaggregation of revenue disclosed in Ind AS 108 meets the disclosure criteria of Ind AS 115 and segment revenue is measured on the same basis as required by Ind AS 115, hence separate disclosures as per Ind AS 115 is not required.

3.02 Other Income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest income earned on financial assets :		
Bank deposits (at amortized cost)	9.54	1.06
Corporate guarantee / unwinding interest	2.01	1.42
Dividend on preference shares	0.19	0.45
Others	7.66	6.62
Other non - operating income :		
Liabilities no longer considered as payable	0.60	0.19
Government assistance- Tax Subsidy / Exemption	0.66	4.64
Miscellaneous income	0.49	6.35
Other gains and losses :		
Net gain on buyback of investments	5.31	-
Total	26.46	20.73

All amounts are in ₹ Crores unless otherwise stated

3.03 Changes in inventories

Particulars		Year ended March 31, 2020	2019
Inventories at the end of the year (including in-transit)			
Stock-in-trade		51.71	40.78
Work-in-progress		69.19	64.13
Finished goods		154.72	127.11
	(a)	275.62	232.02
Inventories at the beginning of the year (including in-transit)			
Stock-in-trade		40.78	34.45
Work-in-progress		64.13	40.64
Finished goods		127.11	81.53
	(b)	232.02	156.62
Total	(a - b)	43.60	75.40

3.04 Other manufacturing expenses

Particulars	Year ended March 31, 2020	2019
Stores and spares consumed	98.32	90.60
Plant and equipment hire charges	36.71	51.65
Repairs to plant and equipment	20.64	23.33
Royalty for minerals	61.52	63.37
Sub-contract charges	67.88	66.03
Plant upkeep expenses	52.23	45.67
Quarry expenses	13.72	19.77
Dies and punches consumed	3.07	3.97
Other manufacturing expenses	3.21	3.94
Total	357.30	368.33

3.05 Employee benefits expense

Particulars	Year ended March 31, 2020	2019
Salaries, wages and bonus	405.65	397.07
Contribution to provident and other funds	36.96	36.41
Staff welfare expenses	21.46	20.85
Total	464.07	454.33

3.06 Finance costs

Particulars	Year ended March 31, 2020	2019
Interest and Finance charges on financial liabilities		
Interest on overdraft / cash credit	4.03	6.62
Interest on borrowings	170.89	144.94
Interest on security deposits	11.14	13.68
Interest on lease obligation	13.36	2.86
Other borrowing costs	6.43	5.96
Total	205.85	174.06

3.07 Depreciation, Amortization and Impairment expense

Particulars	Year ended March 31, 2020	2019
Depreciation of Property, plant and equipment	158.24	155.96
Depreciation on Right of Use Assets	36.25	-
Impairment of Property, plant and equipment	2.01	0.50
Amortization of intangible assets	3.85	3.60
Total	200.35	160.06

All amounts are in ₹ Crores unless otherwise stated

3.08 Other expenses

Particulars	Year ended March 31, 2020	2019
Rent expenses	24.04	37.29
Rates and taxes	19.73	16.03
Travelling and communication expenses	54.02	58.24
Commission on sales	25.81	25.05
Advertisement, sales promotion and other marketing expenses	78.38	76.22
Legal and professional fees	32.53	53.46
Insurance	13.23	10.88
Impairment of trade receivables	19.64	13.66
Bad debts written off	12.89	11.97
Loss on sale of assets	1.09	1.23
Concrete pumping expenses	14.80	15.41
Research expenses *	4.66	4.47
Repairs to buildings	3.04	3.13
Repairs others	6.25	6.14
Bank charges	5.24	5.12
Net loss on foreign exchange fluctuation	2.04	0.73
Impairment of non-current assets	2.63	1.87
Impairment/write-off of Inventories	1.50	-
Miscellaneous expenses	66.08	63.39
Total	**387.60**	**404.29**

* Research expenses comprises of :		
Salaries and wages	2.29	2.12
Travelling and Communication	0.44	0.36
Others	1.93	1.99
Total	4.66	4.47

3.09 Tax expenses

Particulars	Year ended March 31, 2020	2019
(a) Income tax expenses :		
Current tax		
In respect of the current year	-	53.15
Deferred tax		
In respect of the current year	75.19	30.92
Total	75.19	84.07
(b) Income tax recognised in Other Comprehensive Income		
Remeasurements of the defined benefit plans	0.59	0.49
Total income tax expenses recognised in the year (a + b)	75.78	84.56

(c) A reconciliation between the Statutory income tax rate applicable to the Company and the effective income tax rate is as follows:

	2020	2019
Net profit before tax	131.64	230.05
Effective tax rate applicable to the Company	25.17%	34.94%
Tax amount at the enacted income tax rate	33.13	80.38
Add: Expenses not deductible in determining taxable profits	71.15	79.51
Less: Allowances/Deductibles	(58.58)	(65.44)
Minimum Alternative Tax	112.70	53.15
Incremental Deferred Tax assets on account of unused tax losses and unused tax credits	(98.44)	(68.91)
Incremental Deferred Tax liability on account of other temporary differences	15.82	5.87
Tax expense as per the Statement of Profit and Loss	75.78	84.56

4.01 Earnings Per Share (EPS)

	As At March 31,	
	2020	2019
Basic earnings per share :		
Attributable to equity holders of the Company (₹)	1 12	2 90
Diluted earnings per share :		
Attributable to equity holders of the Company (₹)	1 12	2 90
Reconciliation of earnings used in calculating earnings per share :		
Basic earnings per share :		
Profit attributable to equity holders of the Company used in calculating basic earnings per share (₹ Crores)	56 45	145.98
Diluted earnings per share :		
Profit attributable to equity holders of the Company used in calculating diluted earnings per share (₹ Crores)	56 45	145.98
Weighted average number of Equity shares used as the denominator in calculating basic and diluted earnings per share	50,33,56,580	50,33,56,580

4.02 Exceptional items

Current FY 2019-20 :

(a) Road Infrastructure Tax is levied by Madhya Pradesh (MP) Government upon various companies having mining operation Aggregate demand on the Company for the period 2005-06 to 2018-19 is to the tune of ₹ 14 20 crores. In earlier years, the said tax was paid under protest as per the demand from the Assessing authority. However, in recent years, the Company is made to deposit the tax in full based on self-assessment and the same is charged to Statement of Profit and Loss The decision of the High Court in the matter was against the Company. The Company's appeal is pending before the apex court.

(b) The Cement division of the Company was denied Cenvat Credit pertaining to outward freight under Goods and Transport Agency (GTA) services aggregating to ₹ 11 44 crores for the years 2004-05 to 2017-18 The matter of a Unit of the Cement Division was decided in favour of the Company Accordingly, provision recognised earlier has been reversed

(c) Unit I of cement division of the Company had been exempted from payment of Sales Tax on purchases made within the State of MP After Re-organisation of State of MP and Chhattisgarh, the Chhattisgarh Government refused to extend such benefit to the Company. South Eastern Coal Fields Limited (SECL) imposed 4% CST on Coal supply made from Chhattisgarh which was earlier at NIL rate The Company had obtained the stay from the Chhattisgarh High Court at that time and accordingly, SECL had not charged the Tax on supply Amount involved was ₹ 7.56 crores for the years 2000-01 to 2008-09. The decision of the Honourable Supreme Court is in favour of revenue, accordingly, provision was considered necessary

Previous FY 2018-19 :

(a) Interest of ₹14 78 Crores on delayed payment of entry tax in Uttar Pradesh However, during the previous year, in response to writ petition the Company was asked to deposit 50% of the said amount and stay was granted for the balance amount

(b) Credit adjustment of ₹ 3.52 Crores on account of refund received of Entry Tax in Madhya Pradesh, which was earlier paid and charged to statement of profit and loss The Company had lodged an appeal before MP Commercial Tax Tribunal Board, Bhopal for the same

4.03 Leases

1 The Company's lease asset primarily consist of leases for Land, Office Space, Furniture, Vehicle and Plant & Machinery having various lease terms. Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognised

2 The effect of this adoption is insignificant on the profit before tax, profit for the year and earnings per share. Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

3. The following is the summary of practical expedients elected on initial application:

a Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

b Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

c Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17

d. Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

e The Company has elected, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component

4. Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2020

Particulars	Category of ROU					
	Leasehold Land	**Plant & Machinery**	**Leasehold Building**	**Vehicle**	**Furniture**	**Total**
Transition impact on account of Ind AS 116 " Leases"	48.43	4.31	34.31	-	18.88	105.93
Reclassified from property, plant and equipment on account of adoption of Ind AS 116 "Leases" (Refer note no 2.01)	-	35.68	-	0.41	-	36.09
Reclassified from Earnest money, Security Deposits and Advance Rentals	2.24	0.32	0.15	-	0.85	3.56
Total Right of Use assets as on date of Transition	**50.67**	**40.31**	**34.46**	**0.41**	**19.73**	**145.58**
Additions during the year	16.23	32.43	12.99	-	5.85	67.50
Deletion during the year	-	-	0.31	-	-	0.31
Depreciation of Right of use assets	11.83	9.24	7.29	0.07	7.82	36.25
Balance as at March 31, 2020	**55.07**	**63.50**	**39.85**	**0.34**	**17.76**	**176.52**

5. The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2020:

Particulars	**Year Ended March 31, 2020**
Transition impact on account of Ind AS 116 " Leases"	105.93
Reclassified finance lease obligation under Ind AS 17 to lease liabilities on account of adoption of Ind AS 116 "Leases" (Refer note no. 2.15)	28.75
Additions during the year	66.87
Finance cost accrued during the year	15.39
Payment/Deletion of lease liabilities during the year	46.82
Balance as at March 31, 2020	170.12
Current portion of Lease Liability	33.94
Non Current portion of Lease Liability	136.18
	170.12

6. An explanation to difference between operating lease commitments as per Ind AS 17 and lease liabilities as per Ind AS 116 as on April 1, 2019 is as below:

a. The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 10%.

b. The difference between lease obligation recorded as of March 31, 2019, under Ind AS 17 and the value of lease liability as of April 1, 2019, is on account of practical hindsight in determining the lease term, where the contract contained options to extend or terminate the lease in measuring the lease liability in accordance with Ind AS 116, reclassification of finance lease obligations as lease liabilities and discounting the lease liabilities to the present value under Ind AS 116.

7. Amounts recognised in the statement of cash flows

Particulars	**2019-20**
Total cash outflow for Leases	46.22

8. Total cash outflow during the year was ₹ 46.44 Crores except for short term lease and low value assets

9. The maturity analysis of lease liabilities are disclosed in Note no. 4.03. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

10. Future lease payments which will start from April 1, 2020 is ₹ 99.62 Crores

11. Certain lease agreements are subject to escalation clause and with extension of lease term options. At the expiry of the lease term, in case of lease agreements other than land, the lessee has an option to purchase the assets at Fair Market Value

4.04 Employee Benefit Plans

1. Defined contribution plans

The Company operated defined benefits contribution retirement benefits plans for all qualifying employees.

The total expenses recognised in the Statement of Profit and Loss of ₹ 21.96 Crores (Previous year - ₹ 18.14 Crores) represents contributions payable to these plans by the Company at rates specified in rules of the plans

2. Defined Benefits Plans

The Company sponsors funded defined benefit plans for qualifying employees. The defined benefits plan are administered by separate funds that are legally independent entities. The governing body of the fund is responsible for the investment policy with regard to assets of the funds

These plans typically expose the Company to Actuarial risks such as : investment risk, interest rate risk, longetivity risk and salary risk. No other post-retirement benefit are provided to the employees

Investment risk : The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds

Interest risk : A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments

Longevity risk : The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability

Salary risk : The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

3. Principal assumptions used for the purpose of actuarial valuation	Valuation as at	
	31-03-2020	31-03-2019
Discount Rate	6.59%	7.48%
Expected Rate(s) of salary increase	3%	5%
Average longetivity at retirement age for current beneficiaries of plans (years)	38 to 43	37 to 43
Average longetivity at retirement age for current employees (future beneficiaries of the plan)	58 & 60	58 & 60
Attrition Rate	10% - 15%	10% - 15%

4. (a) Amounts recognised in Statement of Profit and Loss in respect of defined benefit plans	Leave Encashment		Gratuity	
	31-03-2020	31-03-2019	31-03-2020	31-03-2019
Service cost:				
Current service cost	1.99	2.91	5.99	6.29
Past service cost and (gain) / loss from settlements	-	0.58	-	-
Net interest expense	1.80	1.80	2.60	2.22
Actuarial(Gain) / Loss	6.86	4.52	(2.01)	(1.75)
Component of defined benefit costs recognised in Statement of profit and loss	10.65	9.81	6.58	6.76

4. (b) Amounts recognised in Other Comprehensive Income in respect of defined benefit plans	Gratuity	
	31-03-2020	31-03-2019
Remeasurement of net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	1.20	(0.05)
Actuarial (gains) / losses arising from changes in demographic assumptions	1.13	(0.21)
Actuarial (gains) / losses arising from changes in financial assumptions	(2.45)	0.72
Actuarial (gains) / losses arising from experience adjustments	(2.23)	(1.29)
Components of defined benefits cost recognised in Other Comprehensive Income	(2.35)	(0.83)

5 (a) Movements in present value of defined benefit obligation	Leave Encashment		Gratuity	
	31-03-2020	31-03-2019	31-03-2020	31-03-2019
Opening defined benefit obligations	25.79	30.09	50.91	45.57
Current service cost	1.99	3.49	5.99	6.29
Interest cost	1.80	1.80	3.64	3.42
Remeasurement (Gains) / losses				
Actuarial (gains) / losses arising from changes in demographic assumptions	0.28	(0.03)	1.13	(0.21)
Actuarial (gains) / losses arising from changes in financial assumptions	(0.78)	0.71	(2.45)	0.72
Actuarial (gains) / losses arising from experience adjustments	7.34	3.84	(2.23)	(1.29)
Benefits paid	(3.63)	(14.11)	(3.93)	(3.59)
Closing defined benefit obligation	32.79	25.79	53.06	50.91

5.(b) Movements in present value in planned assets	Gratuity	
	31-03-2020	31-03-2019
Fair value of plan assets at beginning of year	34.99	33.25
Interest Income	2.55	2.66
Contributions	0.31	2.62
Return on plan Assets	(1.20)	0.05
Benefits paid	(3.93)	(3.59)
Fair value of plan assets at end of year	32.72	34.99

6. The category of plan assets as a percentage of total plan are as follows:	31-03-2020	31-03-2019
Equity Shares	14.49%	17.88%
Central and State Government Securities	66.91%	67.36%
Other Fixed Income Securities / Deposits	18.60%	14.76%
Total	100%	100%

Sensitivity Analysis

Below is the sensitivity analysis determined for significant actuarial assumption for determination of defined benefit obligation and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period

Particulars	Leave Encashment		Gratuity	
	31-03-2020	31-03-2019	31-03-2020	31-03-2019
Discount Rate +100 basis points	31.88	24.79	50.88	48.49
Discount Rate -100 basis points	33.78	26.86	55.48	53.58
Salary Increase Rate +1 %	33.64	26.76	55.27	53.36
Salary Increase Rate -1 %	31.99	24.88	51.04	48.65
Attrition Rate +1%	32.86	25.85	53.47	51.20
Attrition Rate -1%	32.72	25.70	52.67	50.60

4.05 (a) **Contingent Liabilities**

(i) Guarantees given by the Company's bankers and counter guaranteed by the Company ₹ 82.39 Crores (Previous year : ₹ 47.52 Crores)

(ii) Prepayment charges claimed by banks on amounts prepaid ₹ 1.25 Crores (Previous year : ₹ 2.92 Crores)

(iii) Claims against the Company not acknowledged as debts on account of disputes:

(a) In respect of exemption of Central Sales Tax on coal purchases , Nil (Previous year : ₹ 7.56 Crores). Against this matter, bank guarantee of ₹ 7.70 Crores (Previous year : ₹ 7.70 Crores) has been provided by the Company

(b) Energy Development Cess ₹ 9.89 Crores (Previous year : ₹ 9.89 Crores)

(c) Tax on Rural and Road Development is Nil (Previous year : ₹ 14.20 Crores)

(d) Other Claims in respect to Income Tax, Sales Tax, Entry Tax, Excise Duty, Service Tax and other claims ₹ 235.11 Crores (Previous year : ₹ 200.84 Crores)

(b) **Capital and other Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 109.95 Crores (Previous year : ₹ 266.80 Crores) and other commitments includes Outstanding Letters of Credit ₹ 117.14 Crores (Previous year : ₹ 133.57 Crores)

(c) **Financial Guarantee**

Corporate guarantees issued to the bankers : ₹ 351.75 Crores (Previous year : ₹ 310.25 Crores)

(d) **Disclosure of provisions made as per the requirements of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets" are as follows :**

Particulars	As at April 1, 2019	Provisions made during the year	Amounts utilised or reversed during the year	As at March 31, 2020
MPEB Cess on Generation of Electricity	8.33	-	-	8.33
MP Entry Tax / VAT	10.05	-	-	10.05
VAT on Inter Unit transfer	0.68	-	-	0.68
Appeal with AP, Kerala, Punjab, Tamil Nadu, Karnataka and Maharashtra Commercial Tax Department	1.37	0.10	-	1.47
Mines Restoration Expenses	4.42	0.91	-	5.33
Service Tax on Goods Transport Agency	14.50	-	14.50	-
Sales Rebate	0.73	-	-	0.73
Workmen dues	0.07	-	-	0.07

In certain cases, the Company has made payments against the above provisions. In case the disputes are settled in the favour of the Company, there would be refund of ₹ 0.84 Crores (Previous year : ₹ 0.84 Crores) and in the event, these are settled against the Company there would be cash outflow of ₹ 25.82 Crores (Previous year : ₹ 39.31 Crores)

(e) In terms of long-term Gas Supply Agreement (GSA) with GAIL (India) Limited (GAIL) having validity till April, 2028, the Company is committed to draw minimum quantity of Re-Liquefied Natural Gas (RLNG) specified therein. In case of underdrawn quantities, determined on calendar year basis, the Company is liable to deposit purchase price under Take or Pay Obligation clause (TOP) of the GSA and is allowed to draw such underdrawn quantities in the balance term of the GSA at then prevailing price

In earlier years, the Company has not been able to draw committed quantity of RLNG. The Company has exhausted its downward flexibility limit available in GSA. In preceding four calendar years, GAIL has waived the TOP obligation. The amount committed under TOP for the underdrawn quantities of RLNG for the quarter ended March 31, 2020, which would be due in December 2020, if it remains undrawn or not waived, is approximately ₹ 9.20 Crores

As per past trend, RLNG is the most competitively priced natural gas available in the country, non-off take of contracted quantity of RLNG by the company is unlikely to result in any TOP liability. The aforesaid amount, if payable, will only be in the nature of an advance payment for RLNG which can be drawn anytime thereafter up to the end of term of the GSA i.e. April 2028. Accordingly, in view of the management, this contract is not in the nature of onerous contract and hence no provision is required

(f) The Hon'ble Supreme Court of India by their order dated February 28, 2019, has clarified the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. The same has been implemented w.e.f. April 1, 2019. However, pending directions or clarification form the EPFO, the quantification of impact, if any for the period upto March 31, 2019 is not ascertainable and consequently no effect has been given in the accounts.

4.06 **Capital work-in-progress includes pre-operative expenses of ₹ 82.41 Crores (Previous year : ₹ 76.58 Crores), the details of which are as under :**

Particulars	As at March 31, 2020	As at March 31, 2019
Indirect expenditure incurred during the year and considered as pre-operative expenses		
Salary, Wages and Bonus	1.60	2.41
Contribution to Provident and other funds	0.06	0.06
Rent, Rates and Taxes	0.26	0.29
Travelling and Communication	0.13	0.24
Professional fees	0.17	0.12
Depreciation	2.86	1.61
Miscellaneous expenses	0.75	0.74
Total	**5.83**	**5.47**
Add : Expenditure upto previous year	76.58	71.11
Balance Carried forward	**82.41**	**76.58**
Cost relating to acquisition of assets and related direct expenses	174.24	43.57
Total Capital Work-in-progress	**256.65**	**120.15**

4.07 **Capital management**

Risk management

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors', creditors' and market confidence and to sustain future development and growth of its business and at the same time, optimise returns to the shareholders. The Company takes appropriate and corrective steps in order to maintain, or if necessary adjust, its capital structure.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

Consistent with others in the industry, the Company monitors capital on the basis of the capital gearing ratio computed as under:

Net debt (total Borrowings net of Cash and Cash equivalents) divided by Total 'Equity' (as shown in the Balance Sheet)

The Company's strategy is to maintain a capital gearing ratio within 2 times. The comparative capital gearing ratios are tabulated as hereunder :

Particulars	As At March 31,	
	2020	**2019**
Net Debt	1475.15	1414.38
Total Equity	1123.52	1142.11
Net Debt to Equity Ratio	1.31	1.24

The Company has complied with all material externally imposed conditions relating to capital requirements and there has not been any delay or default during the period covered under these financial statements. No lenders have raised any matter that may lead to breach of covenants stipulated in the underlying documents.

4.08 **Financial Instruments**

(i) **Methods and assumptions used to estimate the fair values**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale

The following methods and assumptions were used to estimate the fair values:

a) The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other bank balances, deposits, loans to employees, trade payables, payables for acquisition of non- current assets, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values

b) The fair values for long term loans, long term security deposits given and remaining non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs

c) The fair values of long term security deposits taken, non-current borrowings and remaining non current financial liabilities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs

d) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values

(ii) **Categories of financial instruments**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: inputs which are not based on observable market data

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying values	Fair value	Carrying values	Fair value
Financial assets				
Measured at amortised cost :				
Trade receivables	678.27	678.27	704.58	704.58
Loans	62.12	62.12	58.16	58.16
Cash and Bank balances	377.74	377.74	55.59	55.59
Other financial assets	79.66	79.66	78.13	78.13
Measured at FVTOCI :				
Investment in other companies	5.18	5.18	21.30	21.30
Total Financial assets	**1,202.97**	**1,202.97**	**917.76**	**917.76**
Financial liabilities				
Measured at amortised cost :				
Borrowings	1,851.74	1,851.74	1,469.85	1,469.85
Lease Liabilities	170.12	170.12	-	-
Trade payables	735.07	735.07	791.29	791.29
Other financial liabilities	751.28	751.28	628.54	628.54
Total Financial liabilities	**3,508.21**	**3,508.21**	**2,889.68**	**2,889.68**

(iii) **Level wise disclosure of financial instruments**

Particulars	As at March 31, 2020	As at March 31, 2019	Level	Valuation techniques and key inputs
Investment in equity instruments of other companies (B L A Power Private Limited)	5.18	21.30	3	Independent Valuer Certificate
Foreign currency forward contracts - Assets	#	#	2	Quotes from banks or dealers

Amount less than 50,000

The following table shows a reconciliation of significant unobservable inputs from the opening balance to the closing balance for Level 3 recurring fair value measurements

Investment in equity instruments of other companies	Amount
Balance as on April 1, 2019	21.30
Less: Adjustment due to Fair valuation	16.12
Balance as on March 31, 2020	**5.18**

(iv) **Financial Risk Management**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board. The details of different types of risk and management policy to address these risks are listed below.

The Company's activities are exposed to various risks viz. Credit risk, Liquidity risk and Market risk. In order to minimise any adverse effects on the financial performance of the Company, it uses various instruments and follows polices set up by the Board of Directors / Management.

a **Credit Risk :**

Credit risk arises from the possibility that counter party will cause financial loss to the Company by failing to discharge its obligation as agreed.

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks and other counterparties for the facilities availed by subsidiary. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called upon.

Each division of the Company has specific policies for managing customer credit risk; these policies factor in the customers' financial position, past experience and other customer specific factors. The Company uses the allowance matrix to measure the expected credit loss of trade receivables from customers.

Based on the industry practices and business environment in which the Company operates, management considers that the trade receivables are in default if the payment are more than 2 years past due.

Trade receivables consists of large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Table showing age of gross trade receivables and movement in expected credit loss allowance:

Age of receivables	As at March 31, 2020	As at March 31, 2019
Within the credit period	155.01	251.52
1-90 days past due	396.79	343.27
91-180 days past due	67.62	56.41
181-270 days past due	28.36	31.65
More than 270 days past due	171.26	142.88
Total	**819.04**	**825.73**

Movement in the expected credit loss allowance	March 31, 2020	March 31, 2019
Balance at the beginning of the year	121.13	107.47
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	19.64	13.66
Balance at the end of the year	**140.77**	**121.13**

b. **Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for 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 conditions, without incurring unacceptable losses or risking damage to Company's reputation. In addition, processes and policies related to such risks are overseen by the senior management. The Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities .

As at March 31, 2020	< 1 Year	1 - 5 year	> 5 year	Total
Non-Current borrowings	418.37	1,261.41	26.08	1,705.86
Current borrowings	145.31	-	-	145.31
Lease Liability	47.95	121.71	99.13	268.79
Fixed Deposits payable	0.57	-	-	0.57
Financial Guarantee Obligation	83.25	268.50	-	351.75
Trade Payables	735.07	-	-	735.07
Other Financial Liabilities	440.46	44.44	266.38	751.28

As at March 31, 2019	< 1 Year	1 - 5 year	> 5 year	Total
Non-Current borrowings	301.79	1,000.66	-	1,302.45
Current borrowings	132.24	-	-	132.24
Finance lease obligation	9.13	21.72	11.97	42.82
Fixed Deposits payable	6.41	-	-	6.41
Financial Guarantee Obligation	174.25	136.00	-	310.25
Trade Payables	791.29	-	-	791.29
Other Financial Liabilities	316.52	61.62	250.40	628.54

Financing arrangements

The Company has sufficient sanctioned line of credit from its bankers / financers; commensurate to its business requirements. The Company reviews its line of credit available with bankers and lenders from time to time to ensure that at any point of time there is sufficient availability of line of credit to handle peak business cycle.

The Company pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work has been performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds and minimise inventories.

c. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices Market risk comprises two types of risk: currency risk and interest rate risk

i. Market Risk - Foreign Exchange

Foreign currency risk is that risk in which the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates The Company operates internationally and a portion of its business is transacted in several currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies The Company hedges the receivables as well as payables by forming view after discussion with Forex Consultant and as per polices set by Management

The Company is also exposed to the foreign currency loans availed from various banks to reduce the overall interest cost

The carrying amount of the Company's foreign currency denominated monetary assets and liabilities as at the end of the reporting period is as follows:

In Crores

Currencies	Liabilities		Assets	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
US Dollar (USD)	7.06	0.23	0.08	0.08
EURO	0.15	0.12	0.01	0.02
Japanese Yen (JPY)	0.01	0.01	-	-
British Pound (GBP)	-	-	#	-
Srilankan Rupee (LKR)	0.29	0.27	7.97	12.66

Foreign Currency Exposure

In Crores

Foreign currency exposure as at March 31, 2020	USD	EURO	JPY	LKR	GBP
Trade receivables	0.08	0.01	-	6.53	#
Loans and other receivables	-	-	-	1.44	-
Borrowings	7.00	0.01	-	-	-
Trade payables	0.06	0.14	0.01	0.29	-
Forward contracts for payables	6.66	-	-	-	-

In Crores

Foreign currency exposure as at March 31, 2019	USD	EURO	JPY	LKR	GBP
Trade receivables	0.08	0.02	-	11.65	-
Loans and other receivables	-	-	-	1.01	-
Borrowings	0.12	#	-	-	-
Trade payables	0.11	0.12	0.01	0.27	-
Forward contracts for payables	0.04	0.08	-	-	-

Amount less than 50,000

Particulars of un-hedged foreign currency asset / liability as at Balance Sheet date

In Crores

Currency	Nature	As at March 31, 2020		As at March 31, 2019	
		Amount in Foreign Currency	Amount (₹)	Amount in Foreign Currency	Amount (₹)
EURO	Asset	0.01	0.82	0.02	1.43
GBP	Asset	#	0.35	-	-
LKR	Asset	7.97	3.19	12.66	4.99
USD	Asset	0.08	6.34	0.08	5.53
EURO	Liability	0.15	12.73	0.04	3.03
LKR	Liability	0.29	0.12	0.27	0.11
USD	Liability	0.40	30.27	0.19	13.07
JPY	Liability	0.01	#	0.01	#

Amount less than 50,000

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on Profit after Tax and Equity

Currencies	Impact on profit after Tax and Equity			
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	1 % increase	1 % increase	1 % decrease	1 % decrease
USD	(0.24)	(0.08)	0.24	0.08
Euro	(0.12)	(0.02)	0.12	0.02
LKR	0.03	0.05	(0.03)	(0.05)
Total	**(0.33)**	**(0.05)**	**0.33**	**0.05**

ii. Market Risk – Interest Rate

The 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 borrows at variable as well as fixed interest rates and the same is managed by the Company by constantly monitoring the trends and expectations. In order to reduce the overall interest cost, the Company has borrowed in a mix of short term and long term loans.

In order to mitigate the interest rate risk the company has borrowed funds in USD

Particulars	March 31, 2020	March 31, 2019
Variable rate borrowings	946.24	555.47
Fixed rate borrowings	905.50	914.38

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates on the borrowings at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for whole of the year. A 100 basis point increase or decrease is used for internal review by the key management personnel.

Particulars	Impact on Profit / Loss and Equity	
	March 31, 2020	March 31, 2019
Interest rates - increase by 100 basis points *	(9.46)	(5.55)
Interest rates - decrease by 100 basis points *	9.46	5.55

* Assuming all other variables as constant

4.09 Related Party Disclosures

Relationships

Particulars	Ownership interest As at March 31. 2020	Ownership interest As at March 31. 2019
Subsidiaries		
Raheja QBE General Insurance Company Limited	51%	51%
H & R. Johnson (India) TBK Limited	100%	100%
Silica Ceramica Private Limited	100%	99.93%
Milano Bathroom Fittings Private Limited	100%	100%
TBK Venkataramiah Tile Bath Kitchen Private Limited (Subsidiary of H & R. Johnson (India) TBK Limited)	100%	100%
TBK Rangoli Tile Bath Kitchen Private Limited (Subsidiary of H & R. Johnson (India) TBK Limited)	100%	100%
TBK Samiyaz Tile Bath Kitchen Private Limited (Subsidiary of H & R. Johnson (India) TBK Limited)	100%	69.88%
RMC Readymix Porselano (India) Limited	100%	100%
Sentini Cermica Private Limited	50%	50%
Antique Marbonite Private Limited	50%	50%
Spectrum Johnson Tiles Private Limited	50%	50%
Small Johnson Floor Tiles Private Limited	50%	50%
Coral Gold Tiles Private Limited	50%	50%
Antique Minerals Private Limited (Subsidiary of Antique Marbonite Private Limited)	25.50%	25.50%
Sanskar Ceramics Private Limited (Subsidiary of Small Johnson Floor Tiles Private Limited) (including direct holding of 15%)	32.50%	25%
Joint Venture		
Ardex Endura (India) Private Limited	50%	50%
Joint Venture of Subsidiary		
TBK Deziner's Home Private Limited (Joint venture upto 24.06.2019)	-	50%
TBK Unique Jalgaon Tile Bath Kitchen Private Limited	50%	50%
TBK P B Shah Tile Bath Kitchen Private Limited (Joint venture upto 21.03.2020)	-	50%
TBK Deepgiri Tile Bath Kitchen Private Limited	50%	50%
TBK Prathap Tile Bath Kitchen Private Limited	50%	50%
TBK Rathi Sales Agencies Private Limited (Joint venture upto 14.11.2019)	-	50%
TBK Florance Ceramics Private Limited	50%	50%
TBK Sanitary Sales Private Limited	50%	50%

Particulars	Ownership interest As at March 31, 2020	2019
TBK Krishna Tile Bath Kitchen Private Limited (Joint venture upto 21.06.2019)	-	50%
TBK Rishi Ceramics Private Limited (Joint venture upto 23.10.2019)	-	50%
TBK Aishwarya Tile Bath Kitchen Private Limited (Joint venture upto 24.10.2019)	-	50%
TBK Raj Kamal Tile Bath Kitchen Private Limited (Joint venture upto 24.06.2019)	-	50%
TBK Shree Ganesh Traders Private Limited (Joint venture upto 14.11.2019)	-	50%
TBK Home Trends Private Limited (Joint venture upto 19.10.2019)	-	50%
TBK Solan Ceramics Private Limited (Joint venture upto 23.08.2019)	-	50%
Associates		
Prism Power and Infrastructure Private Limited	49%	49%
CSE Solar Parks Satna Private Limited	27%	27%
Sunspring Solar Private Limited	27%	-

Companies in which Directors and/or their relatives have significant influence

Peninsula Estates Private Limited

Varahagiri Investments & Finance Private Limited

Others- Significant Influence

Countrywide Exports Private Limited

Key Management Personnel (KMP)

Executive Directors

Mr. Vijay Aggarwal, Managing Director

Mr. Vivek K. Agnihotri, Executive Director & CEO-Cement

Mr. Sarat Chandak, Executive Director & CEO-HRJ (from March 3, 2019)

Mr. Atul R. Desai, Executive Director & CEO-RMC

Mr. Joydeep Mukherjee, Executive Director & CEO-HRJ (upto March 2, 2019)

Non-Executive Directors

Non-Independent

Mr. Rajan B. Raheja, Director

Independent

Mr. Shobhan M. Thakore, Chairman

Ms. Ameeta A. Parpia, Director

Dr. Raveendra Chittoor, Director

Name	Relationship	Nature of transaction	Amount of transaction in FY2019-20	Amount outstanding as on March 31, 2020 (Payable)/ Receivable	Amount of transaction in FY2018-19	Amount outstanding as on March 31, 2019 (Payable)/ Receivable
Peninsula Estates Private Limited	Companies in which Directors and / or their relatives have significant influence	Rent expense	0.15	-	0.14	
		Deposit given	-	0.03	-	0.03
Varahagiri Investments & Finance Private Limited	Companies in which Directors and / or their relatives have significant influence	Rent expense	0.60	-	0.58	
		Deposit given	-	[illegible]	-	0.11
CSE Solar Parks Satna Private Limited	Associate	Investment made	5.23	NA	0.27	NA
		Purchase	2.22	(0.29)	-	-
		Incentive paid	1.00	(0.70)	-	-
Sunspring Solar Private Limited	Associate	Investment made	1.48	NA	-	-
		Purchase	0.31	(0.27)	-	-
		Incentive paid	0.63	(0.63)	-	-
Payable to KMPs on account of Managerial Remuneration		Refer table below (*)	17.50	(1.28)	19.80	(1.41)
Mr. Atul R. Desai	Executive Director & CEO-RMC	Deposit given	-	0.06	-	0.06
		Rent expense	0.13	-	0.13	-
H. & R. Johnson (India) TBK Limited	Subsidiary	Sales	23.82	0.21	20.41	2.29
		ICD given/ (repaid)	-	4.00	-	4.00
		Interest income	0.36	0.08	0.36	0.86
Silica Ceramica Private Limited	Subsidiary	Purchase and services	121.62	(7.88)	151.12	(25.98)
		Interest income	0.72	-	1.08	-
		Reimbursement of services received	2.15	-	1.95	-
		Commission income	1.12	-	0.33	-
		Purchase of assets	-	-	3.80	-
		Sales	2.48	(0.01)	0.28	-
		Rent expense	0.05	-	0.01	-
		Investment made	35.16	-	25.00	-
Milano Bathroom Fittings Private Limited	Subsidiary	Interest expense	0.40	-	0.21	
		Dividend income	0.02	-	0.04	-
		Buy back of shares	-	-	1.88	-
		Reimbursement of services received	0.45	-	0.46	-
Antique Marbonite Private Limited	Subsidiary	Purchase and services	234.80	(36.65)	260.58	(60.16)
Sanskar Ceramics Private Limited	Subsidiary	Purchase and services	82.79	[illegible]	103.17	(24.05)
		Reimbursement of services paid	0.18	-	0.20	-

Name	Relationship	Nature of transaction	Amount of transaction in FY2019-20	Amount outstanding as on March 31, 2020 (Payable)/ Receivable	Amount of transaction in FY2018-19	Amount outstanding as on March 31, 2019 (Payable)/ Receivable
Small Johnson Floor Tiles Private Limited	Subsidiary	Investment Purchased	5.25	NA	-	-
		Interest income	1.26	-	1.05	-
Sentini Cermica Private Limited	Subsidiary	Buy back of shares	6.76	-	-	-
		Purchase and services	86.73	(16.66)	103.88	(19.40)
Spectrum Johnson Tiles Private Limited	Subsidiary	Purchase and services	96.19	(3.10)	97.97	(9.35)
		Interest income	1.61	-	1.16	-
		Reimbursement of services paid	0.48		0.06	
		Rent expense	0.04	-	0.04	-
TBK Florance Ceramics Private Limited	Joint Venture	Sales	12.39	0.32	11.08	1.31
		Selling and Distribution expenses	0.68	-	0.70	-
TBK Sanitary Sales Private Limited	Joint Venture of Subsidiary	Selling and Distribution expenses	0.99	-	0.27	-
TBK Rangoli Tile Bath Kitchen Private Limited	Step down Subsidiary	Rent income	0.03	-	0.03	-
TBK Rishi Ceramics Private Limited	Joint Venture of Subsidiary	Selling and Distribution expenses	0.55	-	0.44	-
TBK Rathi Sales Agencies Private Limited	Joint Venture of Subsidiary	Selling and Distribution expenses	0.55	-	0.02	-
TBK Deepgiri Tile Bath Kitchen Private Limited	Step down Subsidiary	Selling and Distribution expenses	0.42	-	0.23	-
Coral Gold Tiles Private Limited	Subsidiary	Reimbursement of services paid	0.12	-	0.02	-
Countrywide Exports Private Limited	Significant influence	Rent expense	0.07	-	0.07	-
Raheja QBE General Insurance Company Limited	Subsidiary	Insurance premium	0.27	-	0.35	0.08
		Rent income	0.02	-	0.03	-
		Advance given	0.02	0.02	-	-
		Security deposit received	-	(0.02)	-	(0.02)
Others		Interest income /(waived-off)	0.12		0.10	
		Interest expense	#	-	#	-
		Purchase and services	182.14	(35.95)	195.21	(47.09)
		Sales	55.89	10.17	89.95	19.73
		Selling and Distribution expenses	0.93	-	1.60	-
		Reimbursement of services received	1.57	-	1.78	-
		Reimbursement of services paid	0.27	-	0.35	-
		Deposit received	-	-	0.01	-
		Rent expense	#	-	#	-
		Dividend income	#	-	#	-

Amount less than ₹ 50,000

Note : In addition to the above, the Company has extended aggregate loan of ₹ 46.15 Crores (Previous year : ₹ 46.15 Crores) to H. & R. Johnson (India) TBK Limited, out of which loan of ₹ 42.15 Crores (Previous year : ₹ 42.15 Crores) is interest free. The Company had invested in 0.01% Non-cumulative Optionally Convertible Preference Shares issued by Small Johnson Floor Tiles Private Limited aggregating to ₹ 4.00 Crores (Previous year : ₹ 4.00 Crores) and 1% Non-cumulative Redeemable Preference Shares issued by Milano Bathroom Fittings Private Limited aggregating to ₹ 2.00 Crores (Previous year : ₹ 2.00 Crores). The Company has also given financial guarantee to commercial banks for ₹ 351.75 Crores (Previous year : ₹ 310.25 Crores) who have extended loans to Silica Ceramica Private Limited.

(*) Compensation to Key Management Personnel

Particulars	Amount of transaction in FY2019-20	Amount of transaction in FY2018-19
Short-term employee benefits	16.75	18.88
Post-employment benefits	-	-
Other long-term benefits	-	-
Commission to Independent Directors	0.45	0.68
Sitting Fees	0.30	0.24
Total Compensation to KMP	**17.50**	**19.80**

Notes :

a) As the post-employment benefits is provided on an actuarial basis for the Company as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above

b) The value of related party transaction & balances reported are based on actual transaction and without giving effect to notional Ind AS adjustment entries

c) Transactions disclosed against "Others" in the above table are those transactions with related party which are of the amount not in excess of 10% of the total related party transactions of the same nature

4.10 Segment Information

In accordance with Ind AS 108 on "Operating segments" information has been given in the Consolidated Financial Statement of the Company and therefore no separate disclosure on segment information is given in the Standalone financial Statements.

4.11 Government Grants by way of Tax subsidy/exemption schemes:

a As per Madhya Pradesh Industrial Investment Promotion Assistance Scheme (2004), the second Cement Unit at Satna was entitled for subsidy at the rate of 75% of VAT / CST paid on sales till December 31, 2017, subject to prescribed limits. For the period July 1, 2017 to December 31, 2017, in absence of clarity, the Company had recognised subsidy under the scheme as a percentage of State Goods and Services Tax. In the previous year, Government of Madhya Pradesh had issued an order for extension of support under the GST regime and therefore, the differential subsidy of ₹ 2.89 Crores for the above period was recognised in the Statement of Profit and Loss.

b As per Industrial promotion policy 2010 of Madhya Pradesh, HRJ Dewas unit is entitled for subsidy of VAT / CST paid on sales above the normal production capacity achieved. Subsidy recognised in the Statement of Profit and Loss receivable for the year is ₹ 0.16 Crores (Previous year : ₹ 0.98 Crores).

c As part of fiscal incentives to North East Region, the Ministry of Commerce & Industry had provided capital investment incentives under "North East Industrial and Investment Promotion Policy (NEIIPP) 2007". The RMC division of the Company had invested ₹ 1.56 Crores in plant and machinery in FY 2012-13 and lodged claim for capital subsidy. During the FY 2018-19, the Government had approved Company's claim against NEIIPP 2007 and sanctioned capital subsidy of ₹ 0.47 Crores. The Company had recognised this as unearned income, to be recognised in the Statement of Profit and Loss over the balance useful life of the assets.

4.15 Payment to Statutory Auditors

Particulars	2019-2020	2018-2019
For Statutory Audit	1.04	1.00
For Tax Audit	0.10	0.10
For Company law matters and Taxation Services	0.14	0.22
For Certification	0.01	0.01
For Reimbursement of Expenses	0.01	0.01
Total	**1.30**	**1.34**

4.16 Pursuant to Order of the Hon'ble Supreme Court dated September 24, 2014, Sial Ghogri Coal mine of the Company was de-allocated and put to auction by the Ministry of Coal through Nominated Authority. The Nominated Authority had determined compensation of ₹ 32.49 Crores for the said Coal Block as against expenses and book value of assets amounting to ₹ 47.58 Crores.

Till date, a sum of ₹ 32.34 Crores has been disbursed by the Nominated Authority. The Company had inter-alia disputed the quantum of compensation before the Hon'ble High Court of Judicature, Delhi. As per the directions of the said High Court, the Company had filed its claim for an additional compensation of ₹ 53.03 Crores before the Coal Tribunal at Singrauli, duly appointed under Coal Bearing Areas (Acquisition and Development) Act, 1957.

The Coal Tribunal however, has declined to entertain claim of the Company being of the view that the same has to be heard by the Nominated Authority. Aggrieved by the decision of the Coal Tribunal, the Company has filed an appeal before the High Court of Madhya Pradesh to restore the claim before the Coal Tribunal.

Pending final disposal of the matter, the Company has not recognized excess of compensation claimed over the book value as income as well as loss that may have to be incurred in the event compensation is denied. Accordingly, the balance amount appears under the head Other Financial Assets (note no. 2.05) and Freehold Land (note no. 2.01) ₹ 13.93 Crores and ₹ 1.31 Crores respectively. The Freehold Land continues to be in possession of the Company as it was not part of the vesting order. Based on the legal opinion, the Company has more than reasonable chances of succeeding in the matter.

4.17 Insurance claim of the year 2012 relating to collapse of blending silo and consequential damages was rejected by New India Assurance Co. Ltd. The Company had recognized a sum of ₹ 58.94 Crores as receivable. Against the rejection of the claim, the Company has filed a money suit against New India Assurance Company Limited for recovery of ₹ 150.27 Crores. The same is pending before the District Judge and Special Commercial Court at Rewa. The Company is pursuing arbitration proceedings with the party responsible for construction of blending silo for recovery of damages. Based on legal opinion and judicial precedents, the Company has more than reasonable chance of succeeding in the matter.

4.18 (a) In the course of normal business operation, the Company has settled certain receivables by acquiring residential and commercial properties. The process of disposing these properties is in progress. Impairment loss recognised in Statement of profit and loss under the head Other expenses to write down the value of such properties to its fair value is Nil (Previous year : ₹ 1.10 Crores). The reportable segment, in which the Non-Current Asset held for sale is presented, is RMC in accordance with Ind AS 108.

(b) In the year 2018-19, the Company has decided to discontinue its operations at its Cement packing unit and dispose off certain assets located there such as buildings, land, plant & machinery, etc. During the year, the Company has disposed of all assets other than land and building thereon. The Company is in the process of discussion with potential buyers and expects the same to be disposed off in near future. The reportable segment, in which the Non-Current Asset held for sale is presented, is Cement in accordance with Ind AS 108.

4.19 The Board of Directors has approved the Composite Scheme of Arrangement and Amalgamation as under :

a. Demerger of retail/trading business undertakings of TBK Rangoli Tile Bath Kitchen Private Limited, TBK Venkataramiah Tile Bath Kitchen Private Limited and TBK Samiyaz Tile Bath Kitchen Private Limited, into its holding company H & R Johnson (India) TBK Limited ("HRJ TBK") and subsequent demerger of retail/trading business undertaking of HRJ TBK into the Company.

b. Subsequent amalgamation of Milano Bathroom Fittings Private Limited and Silica Ceramica Private Limited, with the Company.

The application is pending before the NCLT, Hyderabad. The appointed date for the said scheme is April 1, 2018 and the accounting effect in the financial statements will be given once the Scheme is approved.

4.20 As per the directives of both the Central and State Governments in the wake of COVID-19 pandemic, the Company had suspended operations across various locations, which has adversely impacted the business. The Company has considered the possible effects that may result due to the lockdown announced consequent to outbreak of COVID-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. Based on internal and external sources of information and economic forecasts, the Company expects the carrying amount of these assets will be recovered and sufficient liquidity would be available as and when required to fund the business operations. A definitive assessment of the impact, at this stage, is not possible in view of the highly uncertain economic environment and the situation is still evolving. The Company is continuously monitoring material changes in such information and economic forecasts. The Company has started operating its manufacturing facilities and operations in a phased manner from the last week of April 2020.

4.21 The Government of India has issued the Taxation Laws (Amendment) Act, 2019, which provides domestic companies an option to pay corporate tax at reduced rates effective April 1, 2019 subject to certain conditions. The Company intends to opt for lower tax regime. No tax provision has been made for the year as the Company would be entitled to set-off brought forward losses and no tax would be required to be paid on book profits. The Company has recognised consequential impact by reversing deferred tax assets.

4.22 According to the information available with the management, on the basis of intimation received from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the Company has amounts due to micro and small enterprises under the said Act as at March 31, 2020 as follows :

Particulars	As at March 31, 2020	As at March 31, 2019
a) Principal amount due	13.70	8.09
b) Interest due on above	-	-
c) Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) Amount of interest due and payable for the period of delay	-	-
e) Amount of interest accrued and remaining unpaid as at year end	-	-
f) Amount of further remaining due and payable in the succeeding year	-	-

4.23 Figures for the previous year have been regrouped / reclassified / reinstated, wherever considered necessary

As per our report of even date
For G M Kapadia & Co
Chartered Accountants
Firm Registration No 104767W

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

Place : Mumbai
Date : May 28, 2020

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)

Ameeta A. Parpia
(Director)

Vijay Aggarwal
(Managing Director)

Vivek K. Agnihotri
(Executive Director & CEO- Cement)

Sarat Chandak
(Executive Director & CEO- HRJ)

Atul R. Desai
(Executive Director & CEO- RMC)

Manish Bhatia
(Chief Financial Officer)

Aneeta S. Kulkarni
(Company Secretary)

G. M. KAPADIA & CO.
(REGISTERED)
CHARTERED ACCOUNTANTS
1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA
PHONE : (91-22) 6611 6611 FAX : (91-22) 6611 6600

INDEPENDENT AUDITORS' REPORT
To the Members of Prism Johnson Limited

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Prism Johnson Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its joint venture and its associates comprising of the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and 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 and based on the consideration of reports of other auditors of the subsidiaries, joint venture and associate, the 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 Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 , as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its joint venture and its associates as at March 31, 2020 and their consolidated profit (including other comprehensive income), their consolidated statement of changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

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

G.M. KAPADIA & CO. MUMBAI

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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. We have determined the matters described below to be the key audit matters:

S No.	Key Audit Matters	How our audit addressed the Key Audit Matters
1	**Evaluation of Provisions and Contingent Liabilities** As at the Balance Sheet date, the Group has certain open legal cases and other contingent liabilities as disclosed in note no. 4.05 and 4.13. The assessment of the existence of the present legal or constructive obligation and analysis of the probability of the related payment require the management to make judgement and estimates in relation to the issues of each matter. The management with the help of its expert, as needed, have made such judgements and estimates relating to the likelihood of an obligation arising and whether there is a need to recognize a provision or disclose a contingent liability. Due to the level of judgement and estimate involved in recognition, valuation and presentation of provision and contingent liabilities, this is considered to be a key audit matter.	Our procedures included, amongst others We have reviewed and held discussions with the management to understand their processes to identify new possible obligations and changes in existing obligations for compliance with the requirements of Ind AS 37 on "*Provisions, Contingent Liabilities and Contingent Assets*". We have analysed significant changes from prior periods and obtain a detailed understanding of these items and assumptions applied. We have held regular meetings with the management and key legal personnel responsible for handling legal matters. In addition, we have reviewed: • the details of the proceedings before the relevant authorities including communication from the advocates / experts; • legal advises / opinions obtained by the management, as needed, from experts in the field of law on the legal cases; • minutes of board meetings, including the sub-committees; and status of each of the material matters as on the date of the balance sheet. We have assessed the appropriateness of provisioning based on assumptions made by the management and

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S No.	Key Audit Matters	How our audit addressed the Key Audit Matters
		presentation of the significant contingent liabilities in the financial statements.
2	**Impairment of investment in Property, plant and equipments** Significant judgement is involved in carrying out impairment assessment of Property, plant and equipment (PPE) and investment in subsidiaries. Such assessment is undertaken using discounted cash flow models to determine the recoverable amount (value-in-use) of Cash Generating Units (CGUs), which is compared to the carrying amount of the relevant non-current assets of the CGU in terms of Ind AS 36 on "*Impairment of Assets*". A deficit in recoverable amount compared with the carrying amount would result in an impairment. The value-in-use requires the use of significant management judgements and estimates including key assumptions such as product-mix, sales growth rate, discount rate and terminal growth rate etc. Considering significant degree of judgement in estimating value-in-use, we identified assessment of impairment of PPE as a key audit matter.	• We understood, evaluated and validated management's key controls over the impairment assessment process. • We compared the methodology used by the management to market practice. • We obtained management's future cash flow forecasts, tested the mathematical accuracy of the underlying value-in-use calculations. We also compared historical actual results to those budgeted to assess the quality of management's forecasts. • We also assessed the reasonableness of key assumptions used in the calculations, comprising sales growth rates, gross profit margin, net profit margin, perpetual growth rate and discount rates. When assessing these key assumptions, we discussed such parameters with management to understand and evaluate management's basis for determining the assumptions, and compared them to external industry outlook reports and economic growth forecasts from independent sources. • We also considered views of valuation experts in assessing the reasonableness of the discount rates used by management by comparing the discount rates used to entities with similar risk profiles and market information. • We obtained and tested

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S No.	Key Audit Matters	How our audit addressed the Key Audit Matters
		management's sensitivity analysis around the key assumptions, to ascertain that selected adverse changes to key assumptions, both individually and in aggregate, would not cause the carrying amount to exceed the recoverable amount.

Information Other than the Consolidated Financial Statements and Our Report thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises of the information included in Annual Report, but does not include the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this report.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the balance part of Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Those Charged With Governance and take appropriate actions in accordance with Standards on Auditing.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation and presentation of the Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including, its joint venture and its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act, read with the rules made thereunder and the relevant provisions of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture and associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group its joint venture and its associates and for preventing and detecting frauds and other irregularities; the selection and

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application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of the Group and of its associates and joint venture 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 respective Board of Directors of the companies included in the Group and of its joint venture and associates are responsible for overseeing the financial reporting process of the Group and of its associates and joint venture.

Auditors' 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 auditors' 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 judgement 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act,

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we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group and its joint venture and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of the misstatement in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the Consolidated Financial Statements.

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.

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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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of seven subsidiaries and consolidated financial statement of three subsidiaries whose financial statements / consolidated financial statements reflect total assets of Rs.1407.90 Crores as at March 31, 2020, total revenues of Rs. 1,227.94 Crores and net cash flows amounting to Rs. 9.29 Crores for the year ended on that date, as considered in the preparation of the Consolidated Financial Statements. The Consolidated Financial Statements also includes Group's share of net profit of Rs. 6.64 Crores for the year ended March 31, 2020, as considered in the preparation of Consolidated Financial Statements, in respect of one joint venture, whose consolidated financial statements have not been audited by us. The Consolidated Financial Statements includes Group's share of net loss of Rs. 0.08 crores for the year ended March 31, 2020, as considered in the preparation of the Consolidated Financial Statements in respect of three associates, whose standalone financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associates, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries, joint venture and associates, is based solely on the reports of the other auditors.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report, to the extent applicable, 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;

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

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 Holding Company so far as it appears from our examination of those books and the reports of the other auditors;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (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 consolidate financial statements;

d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder and relevant provisions of the Act;

e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries, joint venture and associates incorporated in India, none of the directors of the Group companies, its joint venture and its associates incorporated in India is disqualified as on March 31, 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 with reference to financial statements of the Holding Company, its subsidiaries, joint venture and associates incorporated in India and the operating effectiveness of such controls, we give our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements;

g. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors of subsidiaries, joint venture and associates, as noted in the other matters paragraph:

G.M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its joint ventures and associates. Refer Note 4.05 and 4.13 to the Consolidated Financial Statements;

ii. The Group, its joint venture and its associates has made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

iii. There has been no amounts which are required to be transferred to the Investor Education and Protection Fund by the Group, its joint venture and its associates.

For G.M. Kapadia & CO.
Chartered Accountants
Firm Registration No. 104767W

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569
UDIN: 20039569AAAADR3390

Mumbai
Dated: May 28, 2020

Annexure A referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' report of even date, to the members of Prism Johnson Limited ("the Holding Company") on the Consolidated Financial Statements for the year ended 31st March, 2020

Report on the Internal Financial Controls under section 143(3)(i) of the Companies Act, 2013 (the Act)

Opinion

In conjunction with our audit of the Consolidated Financial Statements of the Holding Company as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to financial statements of **Prism Johnson Limited** ("the Holding Company") and its subsidiaries, its joint venture and associates, which are companies incorporated in India, as of that date.

In our opinion, the Holding Company, its subsidiaries, its joint venture and associates , which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020 based on the internal controls with reference to financial statements criteria established by the Holding Company, considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiaries, its joint venture and associates , which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Holding Company, considering the essential components of internal controls stated in the Guidance Note. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statement of the Holding Company, its subsidiaries, joint venture and associates, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk.

The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial control system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial

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statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements, in so far as it relates standalone financial statements of seven subsidiaries, consolidated financial statements of three subsidiaries, standalone financial statements of three associates, consolidated financial statements of one joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For G.M. Kapadia & CO.
Chartered Accountants
Firm Registration No. 104767W

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569
UDIN: 20039569AAAADR3390

Mumbai
Dated: May 28, 2020

PRISM JOHNSON LIMITED

CONSOLIDATED ANNUAL ACCOUNTS

FY 2019 - 2020
(April, 2019 to March, 2020)

Prism Johnson Limited

Consolidated Balance Sheet as at March 31, 2020

All amounts are in ₹ Crores unless otherwise stated

Particulars	Note No.	As on March 31, 2020	As on March 31, 2019
ASSETS			
Non-current Assets			
Property, plant and equipment	2.01	2,572.33	2,580.83
Right of Use Assets	4.03	186.47	-
Capital work-in-progress	4.06	258.97	124.29
Goodwill	2.02	25.77	25.45
Other intangible assets	2.03	25.23	19.40
Investments in Joint Ventures and Associates	2.04	65.03	52.29
Financial assets			
Investments	2.05	308.16	322.68
Loans	2.06	62.23	71.13
Other financial assets	2.07	90.18	94.22
Deferred tax assets (net)	2.08	16.54	40.66
Other non-current assets	2.09	175.93	225.39
Total non-current Assets		3,786.84	3,556.34
Current Assets			
Inventories	2.10	741.67	709.28
Financial assets			
Investments	2.05	149.79	109.75
Trade receivables	2.11	713.62	722.18
Cash and cash equivalents	2.12	137.04	62.21
Bank balances other than Cash and cash equivalents	2.13	280.82	11.60
Loans	2.06	5.48	5.08
Other financial assets	2.07	56.81	35.20
Current tax assets (net)	2.14	49.58	28.72
Other current assets	2.09	143.47	186.04
Non-current assets classified as held for sale	4.16	3.85	2.70
Total Current Assets		2,282.13	1,872.76
TOTAL ASSETS		6,068.97	5,429.10
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.15	503.36	503.36
Other equity	2.16	545.61	622.75
Non-controlling interests		244.86	265.94
Total Equity		1,293.83	1,392.05
Liabilities			
Non-current Liabilities			
Financial liabilities			
Borrowings	2.17	1,504.37	1,175.15
Lease Liability	4.03	144.00	-
Other financial liabilities	2.19	455.24	435.12
Provisions	2.20	32.21	28.68
Deferred tax liabilities (net)	2.21	79.20	27.00
Other non current liabilities	2.22	34.46	49.81
Total Non-current Liabilities		2,249.48	1,715.76

G.M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

Prism Johnson Limited
Consolidated Balance Sheet as at March 31, 2020
All amounts are in ₹ Crores unless otherwise stated

Particulars	Note No.	As on March 31, 2020	As on March 31, 2019
Current Liabilities			
Financial liabilities			
Borrowings	2.17	282.43	302.57
Lease Liability	4.03	36.64	-
Trade payables			
Total outstanding dues of Micro Enterprises & Small Enterprises	2.18	18.61	16.61
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	2.18	759.25	756.05
Other financial liabilities	2.19	1,150.62	913.53
Current tax liabilities (net)	2.23	4.08	21.41
Provisions	2.20	54.75	39.92
Other current liabilities	2.22	219.28	271.20
Total Current Liabilities		2,525.66	2,321.29
TOTAL EQUITY AND LIABILITIES		6,068.97	5,429.10
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

For and on behalf of the Board

Shobhan M. Thakore (Chairman)

Ameeta A. Parpia (Director)

Vijay Aggarwal (Managing Director)

Vivek K. Agnihotri (Executive Director & CEO- Cement)

Sarat Chandak (Executive Director & CEO- HRJ)

Atul R. Desai (Executive Director & CEO- RMC)

Manish Bhatia (Chief Financial Officer)

Aneeta S. Kulkarni (Company Secretary)

Place : Mumbai
Date : May 28, 2020

Prism Johnson Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

All amounts are in ₹ Crores unless otherwise stated

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
INCOME			
Revenue From Operations	3.01	5,956.20	6,194.42
Other Income	3.02	28.16	26.64
Total Income		5,984.36	6,221.06
EXPENSES			
Cost of materials consumed		1,728.83	1,798.06
Purchase of stock-in-trade		316.30	278.23
Changes in inventories	3.03	(71.30)	(96.39)
Power and fuel expenses		1,059.85	1,208.76
Freight outward expenses		760.76	843.16
Other manufacturing expenses	3.04	391.47	405.48
Employee benefits expense	3.05	595.73	565.55
Finance costs	3.06	251.60	219.55
Depreciation, amortization and impairment expense	3.07	250.56	200.04
Other expenses	3.08	635.40	590.56
Total expenses		5,919.20	6,013.00
Profit before share of profit of Joint Ventures, Associates and Exceptional items		65.16	208.06
Share of profit of Joint Ventures & Associates		7.27	4.41
Profit before Exceptional items and Tax		72.43	212.47
Exceptional items	4.02	(10.32)	(11.26)
Profit before tax		62.11	201.21
Tax expenses			
Current tax	3.09	8.60	61.75
Deferred tax	3.09	74.16	29.86
Total tax expenses		82.76	91.61
Profit/ (loss) for the year		(20.65)	109.60
Other Comprehensive Income / (Loss)			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		2.53	0.23
Equity instruments through other comprehensive income		(16.12)	0.30
Share of other comprehensive income in Joint Ventures, to the extent not to be reclassified to profit or loss		(0.07)	0.02
Income tax relating to items that will not be reclassified to profit or loss	3.09	(0.68)	(0.46)
Total (A)		(14.34)	0.09
Items that will be reclassified to profit or loss			
Net gain/(loss) arising on financial assets measured at FVTOCI		5.75	0.94
Income tax relating to items that will be reclassified to profit or loss	3.09	(1.49)	(0.25)
Total (B)		4.26	0.69
Total Other Comprehensive Income / (Loss) (A+B)		(10.08)	0.78
Total Comprehensive Income for the year		(30.73)	110.38
Profit / (Loss) for the year attributable to:			
Owners of the Parent		1.65	116.40
Non-controlling interests		(22.30)	(6.80)
		(20.65)	109.60
Other Comprehensive Income / (Loss) for the year attributable to :			
Owners of the Parent		(12.25)	0.71
Non-controlling interests		2.17	0.07
		(10.08)	0.78

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Prism Johnson Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

All amounts are in ₹ Crores unless otherwise stated

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
Total Comprehensive Income / (Loss) for the year attributable to :			
Owners of the Parent		(10.60)	117.11
Non-controlling interests		(20.13)	(6.73)
		(30.73)	110.38
Earnings per share (Face value of ₹ 10/- each) (Refer Note 4.01):			
Basic (in ₹)		0.03	2.31
Diluted (in ₹)		0.03	2.31
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

For and on behalf of the Board

Shobhan M. Thakore (Chairman)

Ameeta A. Parpia (Director)

Vijay Aggarwal (Managing Director)

Vivek K. Agnihotri (Executive Director & CEO- Cement)

Sarat Chandak (Executive Director & CEO- HRJ)

Atul R. Desai (Executive Director & CEO- RMC)

Manish Bhatia (Chief Financial Officer)

Aneeta S. Kulkarni (Company Secretary)

Place : Mumbai
Date : May 28, 2020

Prism Johnson Limited

Consolidated Statement of Changes in Equity for the year ended March 31, 2020

All amounts are in ₹ in Crores unless otherwise stated

A. EQUITY SHARE CAPITAL	Note No.	Amount
Balance as at April 1, 2018	2.15	503.36
Changes in equity share capital during the year		-
Balance as at March 31, 2019	2.15	503.36
Changes in equity share capital during the year		-
Balance as at March 31, 2020	2.15	**503.36**

B. OTHER EQUITY	Reserves and Surplus (refer note 2.16)						Amount attributable to Owners of the parent	Non-controlling interests	Total
Particulars	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Capital Reserve	Retained Earnings	Net Gain arising of financial assets measured as at FVTOCI			
Balance as at April 1, 2018	12.03	109.23	192.64	(0.85)	221.38	0.07	534.50	272.67	807.17
Profit for the year	-	-	-	-	116.40	-	116.40	(6.80)	109.60
Items of Other Comprehensive Income:									
Remeasurements of the defined benefit plans	-	-	-	-	0.34	-	0.34	(0.27)	0.07
Share in Joint Ventures and Associates	-	-	-	-	0.02	-	0.02	-	0.02
Net Gain arising of financial assets measured at FVTOCI	-	-	-	-	-	0.35	0.35	0.34	0.69
Total Comprehensive Income for the year	**12.03**	**109.23**	**192.64**	**(0.85)**	**338.14**	**0.42**	**651.61**	**265.94**	**917.55**
Capital reserve due to business combination within the group	-	-	-	(0.25)	-	-	(0.25)	-	(0.25)
Transferred from Retained Earnings	1.88	-	-	-	-	-	1.88	-	1.88
Transferred to Capital Redemption Reserve	-	-	-	-	(1.88)	-	(1.88)	-	(1.88)
Transferred to Retained Earnings	-	(12.98)	-	-	-	-	(12.98)	-	(12.98)
Transferred from Debenture Redemption Reserve	-	-	-	-	12.98	-	12.98	-	12.98
Dividend and Dividend Distribution tax	-	-	-	-	(30.34)	-	(30.34)	-	(30.34)
Others	-	-	-	-	1.73	-	1.73	-	1.73
Balance as at March 31, 2019	**13.91**	**96.25**	**192.64**	**(1.10)**	**320.63**	**0.42**	**622.75**	**265.94**	**888.69**

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

B. OTHER EQUITY

Particulars	Reserves and Surplus (refer note 2.16) Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Capital Reserve	Retained Earnings	Net Gain arising of financial assets measured as at FVTOCI	Amount attributable to Owners of the parent	Non-controlling interests	Total
Balance as at April 1, 2019	13.91	96.25	192.64	(1.10)	320.63	0.42	622.75	265.94	888.69
Profit/ (Loss) for the year	-	-	-	-	1.65	-	1.65	(22.30)	(20.65)
Items of Other Comprehensive Income:									
Remeasurements of the defined benefit plans	-	-	-	-	(14.35)	-	(14.35)	0.08	(14.27)
Share in Joint Ventures and Associates	-	-	-	-	(0.07)	-	(0.07)	-	(0.07)
Net Gain arising of financial assets measured at FVTOCI	-	-	-	-	-	2.17	2.17	2.09	4.26
Total Comprehensive Income for the year	13.91	96.25	192.64	(1.10)	307.86	2.59	612.15	245.81	857.96
Non-controlling interests arising on the acquisition of a Subsidiary	-	-	-	-	-	-	-	2.57	2.57
Reduction of non-controlling interests due to buy back of shares of a Subsidiary	-	-	-	-	-	-	-	(7.99)	(7.99)
Capital reserve due to business combination within the group	-	-	-	(4.33)	-	-	(4.33)	-	(4.33)
Transferred from General Reserve	0.29	-	-	-	-	-	0.29	-	0.29
Transferred to Capital Redemption Reserve	-	-	(0.29)	-	-	-	(0.29)	-	(0.29)
Transferred to Retained Earnings	-	(96.25)	-	-	-	-	(96.25)	-	(96.25)
Transferred from Debenture Redemption Reserve	-	-	-	-	96.25	-	96.25	-	96.25
Dividend and Dividend Distribution tax	-	-	-	-	(60.68)	-	(60.68)	-	(60.68)
Others	-	-	-	-	(1.53)	-	(1.53)	4.47	2.94
Balance as at March 31, 2020	14.20	-	192.35	(5.43)	341.90	2.59	545.61	244.86	790.47

Significant Accounting Policies Note - 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G.M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

Atul Shah
Partner
Membership No. 039569

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)

Ameeta A. Parpia
(Director)

Vijay Aggarwal
(Managing Director)

Vivek K. Agnihotri
(Executive Director & CEO-Cement)

Sarat Chandak
(Executive Director & CEO- HRJ)

Atul R. Desai
(Executive Director & CEO-RMC)

Manish Bhatia
(Chief Financial Officer)

Aneeta S. Kulkarni
(Company Secretary)

Place : Mumbai
Date : May 28, 2020

Prism Johnson Limited

Consolidated Cash Flow Statement for the year ended March 31, 2020

All amounts are in ₹ Crores unless otherwise stated

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	62.11	201.21
Non-cash Adjustment to Profit Before Tax:		
Share of (Profit) / Loss of Joint Ventures and Associates	(7.27)	(4.41)
Depreciation, amortisation and impairment expense	250.56	200.04
Impairment on trade receivables	19.45	13.75
Impairment/write-off of non current assets	23.98	9.42
Amortisation of processing fees	6.21	6.56
Bad debts written off	12.89	12.34
Unwinding of interest and discounts	(0.35)	(0.08)
Loss on disposal of Property, plant and equipment	1.16	1.63
Gain on disposal of investments	(0.58)	(0.93)
Dividend and interest income	(15.48)	(7.10)
Finance costs	243.83	212.93
Exchange differences (net)	1.58	(0.05)
Impairment on financial assets	1.40	5.05
Balances written back	(0.74)	(0.19)
Impairment/write-off of Inventories	1.50	-
Other non-cash Items	1.82	2.55
Operating profit before change in operating assets and liabilities	**602.07**	**652.72**
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	(24.30)	(80.62)
Decrease/(increase) in inventories	(33.89)	(92.46)
Increase/(decrease) in trade payables	5.52	88.99
Decrease/(increase) in other financial assets	(18.91)	(18.54)
Decrease/(increase) in loans	3.19	1.42
Decrease/(increase) in other non-current and current assets	(180.07)	(31.77)
Increase/(decrease) in provisions	18.50	(2.74)
Increase/(decrease) in other current and non-current financial liabilities	57.97	98.71
Increase/(decrease) in other current and non-current liabilities	51.42	90.39
Cash generated from operations	481.50	706.10
Direct taxes paid (net of refunds)	46.81	52.21
Net cash flow from operating activities (A)	**434.69**	**653.89**
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for acquisition of Property, plant and equipment	(374.62)	(286.59)
Payments for purchase of investments	(321.52)	(184.37)
Proceeds from sale of investments	243.05	105.82
Proceeds from disposal of Property, plant and equipment	5.05	22.56
Interest received	19.96	12.44
Transaction cost relating to investment	(0.31)	-
Acquisition in Investee	0.29	-
Payment for Repurchase of Shares from Investee	(5.48)	-
Net cash flow used in investing activities (B)	**(433.58)**	**(330.14)**

G.M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

Prism Johnson Limited

Consolidated Cash Flow Statement for the year ended March 31, 2020

All amounts are in ₹ Crores unless otherwise stated

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	1,074.50	685.94
Repayment of long term borrowings	(700.60)	(566.48)
Repayment of Lease Liability	(32.27)	-
Movement in Short Term Borrowings (net)	(20.14)	(221.03)
Interest paid	(187.09)	(192.81)
Dividend and Dividend Distribution Tax paid	(60.68)	(30.34)
Net cash flow from/(used in) financing activities (C)	**73.72**	**(324.72)**
Net increase/(decrease) in cash and cash equivalents (A+B+ C)	74.83	(0.97)
Cash and cash equivalents at the beginning of the year	62.21	63.18
Cash and cash equivalents at the end of the year	**137.04**	**62.21**
Cash and cash equivalents comprises of :		
Balances with bank	135.66	56.99
Cheques/drafts on hand	0.09	3.85
Cash on hand	1.29	1.37
Total	**137.04**	**62.21**

Notes:

1. The Cash Flow Statement has been prepared using the Indirect Method set out in Ind AS 7- Statement of Cash Flows.
2. Payments for acquisition of Property, plant and equipment include movement in capital work-in-progress.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G.M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)

Ameeta A. Parpia
(Director)

Vijay Aggarwal
(Managing Director)

Vivek K. Agnihotri
(Executive Director & CEO- Cement)

Sarat Chandak
(Executive Director & CEO- HRJ)

Atul R. Desai
(Executive Director & CEO- RMC)

Manish Bhatia
(Chief Financial Officer)

Aneeta S. Kulkarni
(Company Secretary)

Place : Mumbai
Date : May 28, 2020

Prism Johnson Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

1. Significant Accounting Policies

The consolidated financial statements comprise financial statements of Prism Johnson Limited (the "Company") and its subsidiaries (collectively the "Group") for the year ended March 31, 2020. The Company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India.

The Group is principally operates in four business segments: Cement; Tile and Bath (HRJ), Ready Mixed Concrete (RMC) and Insurance. Information on other related party relationships of the Group is provided in Note 4.09.

Authorization of financial statements

The financial statements were authorised for issue in accordance with a resolution of the board of directors dated May 28, 2020.

1.1 Basis of Preparation

a) Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act"), and relevant rules issued thereunder and the relevant provisions of the Act. In accordance with proviso to the Rule 4A of the Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting standards.

b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) are measured at fair value; and
- defined benefit plans -plan assets measured at fair value.

1.2 Rounding of amounts

All amounts disclosed in the financial statement and notes have been rounded off to the nearest Crores, except where otherwise indicated.

1.3 Current versus non-current classification

The Group presents its assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is classified as current if:

a) it is expected to be realised or intended to be sold or consumed in normal operating cycle;

b) it is held primarily for the purpose of trading;

c) it is expected to be realised within twelve months after the reporting period; or

d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

a) it is expected to be settled in normal operating cycle;

b) it is held primarily for the purpose of trading;

c) it is due to be settled within twelve months after the reporting period; or

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its normal operating cycle.

1.4 Use of judgements, estimates & assumptions

While preparing financial statements in conformity with Ind AS, the management makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on our estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluate these estimates and assumptions based on the most recently available information.

Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as below:

The Company has equity stake in various entities for strategic reasons concerning its operation. The relationship with these entities have been determined based on principles laid down in Ind AS 110 – Consolidated Financial Statements and Ind AS 111 – Joint Arrangements. The entities mentioned below are considered as subsidiaries.

a) Antique Marbonite Private Limited
b) Small Johnson Floor Tiles Private Limited
c) Spectrum Johnson Tiles Private Limited
d) Sentini Cermica Private Limited
e) Coral Gold Tiles Private Limited
f) Sanskar Ceramics Private Limited

Key assumptions

a) Evaluation of recoverability of deferred tax assets:

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

b) Assets and obligations relating to employee benefits

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These interalia include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c) Useful lives of Property, plant and equipment

The company reviews the useful life of Property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

d) **Impairment of Property, plant and equipment**

For Property, plant and equipment and intangibles an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

e) Impairment of investment

For determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have estimated the future cash flow, capacity utilization, operating margins and other factors of the underlying businesses / operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

f) Valuation of inventories

The Company estimates the net realisable value (NRV) of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

g) **Recognition and measurement of other Provisions**

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

h) **Mine Restoration Provision**

In determining the fair value of the Mines Restoration Obligation, assumptions and estimates are made in relation to the expected cost of mines restoration and the expected timing of those costs.

i) **Fair value of financial instruments**

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. Details of the assumptions used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

1.5 Principles of consolidation and equity accounting

a) **Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated Statement of Profit and Loss, consolidated Statement of Changes in Equity and Balance Sheet respectively.

b) **Associates**

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in Associates are accounted for using the equity method of accounting (see (d) below), after initially being recognised at cost.

c) **Joint Venture**

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or Joint Ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has only Joint Ventures.

Interests in Joint Ventures are accounted for using the equity method (see (d) below), after initially being recognised at cost in the consolidated Balance Sheet.

d) **Equity method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from Associates and Joint Ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its Associates and Joint Ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1.9 below.

e) **Changes in ownership interests**

The Group treats transactions with non-controlling interests that do not result in a loss of control, as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequent accounting for the retained interest as an Associate, Joint Venture or financial asset. In addition, any amounts previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

The amounts previously recognised in Other Comprehensive Income are reclassified to profit or loss.

If the ownership interest in a Joint Venture or an Associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to profit or loss where appropriate.

1.6 Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Company elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs which are administrative in nature are expensed out. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative values of the operation disposed off and the portion of the cash-generating unit retained.
Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a Group.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.

The financial information in the consolidated financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

1.7 Property, plant and equipment

a) Freehold land is carried at historical cost less impairment losses, if any.

b) Property, plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

c) When significant parts of Plant and Equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

d) An item of Property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net realisable value and the carrying amount of the asset) is included in the Statement of Profit and Loss.

e) Expenditure directly attributable to setting up / construction of new projects are capitalised. Administrative and other General overhead expenses, which are specifically attributable to the setting up / construction activities, incurred during the construction period are capitalised as part of the indirect cost. Other indirect expenditure incurred during such period which are not related to the setting up / construction activities are charged to Statement of Profit and Loss. Income earned during this period from setting up activities is deducted from the total of indirect expenditure.

f) The residual values and useful lives of Property, plant and equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.

g) Long-term lease arrangements in respect of land are treated as Property, plant and equipment, in case such arrangements result in transfer of control and the present value of the lease payments is likely to represent substantially all of the fair value of the land. Cost in respect of the same is amortised over the period of respective lease arrangement.

h) Stores and spares which meet the definition of Property, plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalised as Property, plant and equipment.

i) Cost of mining reserve included in freehold / leasehold land, balance cost of leasehold mining land and mines development expenses are amortised systematically based on principle of Unit of Production method.

j) Depreciation on Property, plant and equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II to the Companies Act, 2013, the Group has assessed the estimated useful lives of its Property, Plant and Equipment and has adopted the useful lives and residual value as prescribed therein except for the following cases which are based on internal technical assessment :

Assets	Useful life of asset
Mobile Phones	1 - 3 years
Motor car given to employees as per the company's scheme or vehicle used by employees	5-7 years
Leasehold land	Remaining period of the lease
Truck mixers, Loaders, Excavators and Dumpers	8 years
Leasehold Improvements	Over the period of the lease / rent agreement
Machinery spares	Over the useful life of the related assets
Plant & Machinery - Concrete Pumps	6 years

Freehold land is not depreciated.

k) The Group depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components of Property, Plant and Equipment is assessed based on the historical experience and internal technical inputs which varies from 2 to 40 years.

l) All assets costing up to ₹ 10,000/- are fully depreciated in the year of capitalisation.

1.8 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit or Loss in the period in which the expenditure is incurred.

Technical know-how / license fee and application software are classified as Intangible Assets.

Intangible assets with finite lives are amortised on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the Intangible asset may be impaired. The amortisation period and the amortisation method for an Intangible asset with a finite useful life are reviewed at each year end. The amortisation expense on Intangible assets with finite lives and impairment loss is recognised in the Statement of Profit and Loss.

Estimated lives for current and comparative periods in relation to application of straight line method of amortisation of Intangible assets (acquired) are as follows:

Assets	Amortisation method / Useful life
Intellectual Property Rights	10 years
Technical know-how	7 years
Software	1-8 years
Mineral Procurement Rights	Unit of Production Method
Mining Lease Rights	Over the period of the lease

Research and Development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an Intangible asset when the Group can demonstrate the following:

a) The technical feasibility of completing the intangible asset so that it will be available for use or sale;

b) Its intention to complete the asset;

c) Its ability to use or sell the asset;

d) Ability to generate future economic benefits;

e) The availability of adequate resources to complete the development and use or sell the asset; and

f) The ability to measure reliably the expenditure attributable to the intangible asset during development.

1.9 Impairment of Assets

Carrying amount of Tangible assets, Intangible assets, investments in Joint Ventures and Associates (accounted under equity method) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Group's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.10 Inventories

Raw materials, fuels, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost in case of Raw material and Packing material, Stores and Spare and Traded Goods include purchase cost net of refundable taxes and other overheads incurred in bringing such items of inventory to its present location and condition. Cost of raw materials, components and stores and spares which do not meet the recognition criteria under Property, plant and equipment is determined on a weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials, labour, other direct cost and a proportion of manufacturing overheads based on normal operating capacity. Cost of inventories is computed on weighted average basis

Traded goods are valued at lower of weighted average cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory in determining net realisable value include ageing of inventory, price changes and such other related factors.

1.11 Cash and cash equivalents

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

For the purpose of statement of cashflows, cash and cash equivalents consist of cash, short-term deposits as defined above, bank overdrafts and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value as they are considered as an integral part of the Company's management.

1.12 Government Grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is deducted from the related expense. When the grant relates to an asset, it is recognised as deferred income and amortised over the useful life of such assets.

The above criteria is also used for recognition of incentives under various scheme notified by the Government.

1.13 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Initial Recognition and Measurement – Financial Assets and Financial Liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Group classifies financial assets as subsequently measured at amortised cost, fair value through Other Comprehensive Income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost

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

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTOCI

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:

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

FVTPL

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of Financial Assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Classification and Subsequent measurement: Financial Liabilities

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.
Gains or Losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.
The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of Financial Assets and Financial Liabilities

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

1.14 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received.

1.15 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.16 Provisions, Contingent liabilities and Contingent Assets

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.
Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed in the case of:

- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from the past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent Assets is disclosed when inflow of economic benefits is probable.

1.17 Gratuity and other post-employment benefits

a) Short-term obligations

Short term employee benefits are recognised as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

b) Post-employment obligations

The Group operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund, superannuation fund and national pension scheme.

Gratuity obligations

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement Profit and Loss as past service cost.

Defined contribution plans

The Group contributes to Superannuation, Employee's State Insurance Corporation, Provident Fund and subscribes to the National Pension Scheme which are considered as defined contribution plans. A contribution is made to Regional Provident Fund Commissioner for certain employees. In case of other employees covered under the Provident Fund Trust of the Group, the management does not expect any material liability on account of interest shortfall to be borne by the Group. The said contributions are charged to the Statement of Profit and Loss.

c) **Other long-term employee benefit obligations**

The liabilities for leave are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

1.18 Revenue Recognition

a) REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company derives revenues primarily from sale of products and services. Revenue from sale of goods is recognised net of returns and discounts.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those products or services.

To recognize revenues, the Company applies the following five step approach:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognize revenues when a performance obligation is satisfied

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Company presents revenues net of indirect taxes in its statement of profit and loss.

Performance obligation may be satisfied over time or at a point in time. Performance obligations satisfied over time if any one of the following criteria is met. In such cases, revenue is recognized over time.

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance; or

2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

3. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

b) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method.

c) Dividend Income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

1.19 Taxes on Income

Current Tax

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets 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 deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of the major components of the deferred tax assets and liabilities as at Balance Sheet date has been arrived at after setting off deferred tax assets and liabilities where the Group have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, Associates and interests in Joint Ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

MAT Credits are in the form of unused tax credits that are carried forward by the Group for a specified period of time, hence it is grouped with Deferred Tax Asset.

1.20 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity share.

1.21 Segment reporting

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The operating segments have been identified on the basis of nature of products/services.

a) Segment revenue includes sales and other income directly attributable with allocable to segments including inter-segment revenue.

b) Expenses that are directly identifiable with / allocable to segments are considered for determining the segment results. Expenses which relate to the Group as a whole and not allocable to segments are included under unallowable expenditure.

c) Income which relates to the Group as a whole and not allocable to segments is included in unallowable income.

d) Segment results includes margins on inter-segment and sales which are reduced in arriving at the profit before tax of the Group.

e) Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liability represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

1.22 Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" using the modified retrospective approach, under which the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognized. Accordingly, the comparative information has not been restated and continues to be reported under Ind AS 17 "Lease". Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information. The following is the summary of the new and/or revised significant accounting policies related to Leases. Refer Note 1 "Significant Accounting policies", in the Company's 2019 Annual Report for the policies in effect for Leases prior to April 1, 2019. The effect of transition on Ind AS 116 was insignificant.

Company as a lessee

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether : (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets as below.

Right of use (ROU) assets

The Company recognises right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of Use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease Liabilities

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset.

Lease liabilities and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.23 Foreign currency translation

a) Functional and presentation currency

The Group's financial statements are prepared in INR, which is also the Group's financial and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

In case of advance payment for purchase of assets/goods/services and advance receipt against sales of products/services, all such purchase/sales transaction are recorded at the rate at which such advances are paid/received.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains / (losses).

Non – Monetary items

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.24 Mine Restoration Provision

The Group provides for the estimated expenditure required to restore quarries and mines. The total estimate of restoration expenses is apportioned over the estimate of mineral reserves and a provision is made based on minerals extracted during the year. Mines restoration expenses are incurred on an ongoing basis and until the closure of the quarries and mines. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure. On the basis of technical parameters, restoration expenses estimates are reviewed periodically.

1.25 Non-current assets held for Sale:

Non-current assets are classified as 'held for sale' when all of the following criteria's are met: (i) decision has been made to sell. (ii) the assets are available for immediate sale in its present condition. (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date. Subsequently, such non-current assets classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised. Any decrease in fair value of asset (less cost of sale) is recognised through profit and loss as impairment loss. Any subsequent increase in fair value of asset to the extent of previously recognised impairment loss is recognised as gain and any gain exceeding this impairment loss is recognised on the date of de-recognition.

1.26 Other Policies relating to Insurance Business

Reinsurance Ceded

Reinsurance cost in respect of proportional reinsurance ceded, is accrued at policy inception. Non-proportional reinsurance cost is recognised when incurred and due. Any subsequent revisions to refunds or cancellations of premiums are recognised in the year in which they occur.

Reinsurance accepted

Reinsurance inward acceptances are accounted for on the basis of returns / intimations, to the extent received, from the insurers.

Claims incurred

Claims are recognised as and when reported based on information from Surveyors / insured / Brokers. Claims paid are charged to the respective revenue account. Provision is made for estimated value of claims outstanding as at the Balance Sheet date. Reserve is maintained for each claim which at all times reflects the amount likely to be paid on each claim, as anticipated and estimated by the management in the light of past experience and subsequently modified for changes, as appropriate.

IBNR (Claims Incurred but not reported) and IBNER (Claims Incurred but not enough reported)

IBNR represents that amount of all claims that may have been incurred prior to the end of current accounting year but not have been reported or claimed. The IBNR provision also includes provision if any required for claims incurred but not enough reported. The IBNR (including IBNER) is determined based on the actuarial principles by the Appointed Actuary.

Reserve for Unexpired Risk

Reserve for unexpired risk represents that part of net premium (net of proportional reinsurance ceded) which is attributable to, and set aside for subsequent risks to be borne by the Company under contractual obligations on a contract period basis or risk period basis, whichever is appropriate, subject to a minimum of 100% in case of Marine Hull business and 50% in case of other businesses based on net premium written during the year as required under Section 64V(1)(ii)(b) of the Insurance Act, 1938.

All amounts are in ₹ Crores unless otherwise stated

2.01 Property,plant and equipment

Particulars	Gross Carrying Amount					Depreciation/Impairment					Net Carrying Amount	
	As at April 1, 2019	Addition/ Adjustments	Disposal	Acquisition through business combinations	As at March 31, 2020	As at April 1, 2019	Acquisition through business combinations	For the Year	Elimination on disposal/Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Own Assets												
Land - Freehold	640.58	54.21	0.01	-	694.78	20.96	-	8.30	-	29.26	665.52	619.62
Buildings	291.73	16.77	8.06	-	300.44	54.72	-	17.53	3.76	68.49	231.95	237.01
Plant and Machinery	2,026.76	121.11	37.44	-	2,110.43	486.27	-	140.26	32.89	593.64	1,516.79	1,540.49
Railway siding	4.46	-	-	-	4.46	0.76	-	0.29	-	1.05	3.41	3.70
Office Equipment	15.12	2.37	0.11	-	17.38	7.00	-	2.36	0.08	9.28	8.10	8.12
Computers	17.93	3.70	0.91	-	20.72	10.52	-	3.36	0.81	13.07	7.65	7.41
Mines Development	191.20	37.00	-	-	228.20	113.30	-	27.01	-	140.31	87.89	77.90
Furniture & Fixtures	44.07	7.65	3.40	-	48.32	17.44	-	5.17	3.30	19.31	29.01	26.63
Vehicles	23.78	2.39	3.12	-	23.05	10.64	-	3.32	2.22	11.74	11.31	13.14
Truck Mixers, Loaders and Dumpers	11.55	2.15	3.03	-	10.67	10.17	-	0.70	3.03	7.84	2.83	1.38
Leasehold improvement	0.83	-	-	-	0.83	0.75	-	0.01	-	0.76	0.07	0.08
Total ....A	3,268.01	247.35	56.08	-	3,459.28	732.53	-	208.31	46.09	894.75	2,564.53	2,535.48
Leased Assets												
Leasehold Land (Long term - refer note 1.7(g))....B	-	9.27	1.37	-	7.90	-	-	0.24	0.14	0.10	7.80	-
Assets taken on Finance Lease: (Under Ind AS 17)												
Land	10.52	-	10.52	-	-	1.25	-	-	1.25	-	-	9.27
Plant and Machinery	45.58	-	45.58	-	-	9.91	-	-	9.91	-	-	35.67
Vehicle	0.53	-	0.53	-	-	0.12	-	-	0.12	-	-	0.41
Total C	56.63	-	56.63	-	-	11.28	-	-	11.28	-	-	45.35
Total .... (A+B+C)	3,324.64	256.62	114.08	-	3,467.18	743.81	-	208.55	57.51	894.85	2,572.33	2,580.83

Prism Johnson Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2020
All amounts are in ₹ Crores unless otherwise stated

Particulars	Gross Carrying Amount					Depreciation/Impairment					Net Carrying Amount	
	As at April 1, 2018	Addition/ Adjustments	Disposal	Acquisition through business combinations	As at March 31, 2019	As at April 1, 2018	Acquisition through business combinations	For the Year	Elimination on disposal/Adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Own Assets:												
Land - Freehold	592.08	48.93	0.43	-	640.58	13.21	-	7.75	-	20.96	619.62	578.87
Buildings	286.56	8.69	3.52	-	291.73	41.44	-	15.36	2.08	54.72	237.01	245.12
Plant and Machinery	1,968.54	126.10	67.88	-	2,026.76	405.64	-	128.08	47.45	486.27	1,540.49	1,562.90
Railway siding	3.42	1.04	-	-	4.46	0.57	-	0.19	-	0.76	3.70	2.85
Office Equipment	13.19	2.60	0.67	-	15.12	5.71	-	1.88	0.59	7.00	8.12	7.48
Computers	15.39	4.26	1.72	-	17.93	8.25	-	3.46	1.19	10.52	7.41	7.14
Mines Development	161.96	29.24	-	-	191.20	86.78	-	26.52	-	113.30	77.90	75.18
Furniture & Fixtures	35.15	9.22	0.30	-	44.07	13.08	-	4.55	0.19	17.44	26.63	22.07
Vehicles	21.85	4.50	2.57	-	23.78	8.89	-	3.26	1.51	10.64	13.14	12.96
Truck Mixers, Loaders and Dumpers	11.26	0.29	-	-	11.55	8.96	-	1.21	-	10.17	1.38	2.30
Leasehold Improvement	0.79	0.07	0.03	-	0.83	0.75	-	0.02	0.02	0.75	0.08	0.04
Total ....A	**3,110.19**	**234.94**	**77.12**	-	**3,268.01**	**593.28**	-	**192.28**	**53.03**	**732.53**	**2,535.48**	**2,516.91**
Assets taken on Finance Lease: (Under Ind AS 17)												
Land	10.52	-	-	-	10.52	1.02	-	0.23	-	1.25	9.27	9.50
Plant and Machinery	37.62	7.96	-	-	45.58	4.94	-	4.97	-	9.91	35.67	32.68
Vehicle	0.41	0.12	-	-	0.53	0.06	-	0.06	-	0.12	0.41	0.35
Total ....B	**48.55**	**8.08**	-	-	**56.63**	**6.02**	-	**5.26**	-	**11.28**	**45.35**	**42.53**
Total .... A+B	**3,158.74**	**243.02**	**77.12**	-	**3,324.64**	**599.30**	-	**197.54**	**53.03**	**743.81**	**2,580.83**	**2,559.44**

Notes :

a) Depreciation for the year includes ₹ 2.86 Crores (Previous year : ₹ 1.61 Crores) considered for capitalisation.

b) Amortisation in case of Freehold Land represent amortisation of mining reserve on extraction basis.

c) Additions to Plant & Machinery during the year includes ₹ 0.89 Crores (Previous year : ₹ 1.78 Crores) on account of Research assets.

d) During the year, depreciation on Right of Use assets is ₹ 40.36 Crores (Previous year : Nil) which is not forming part of the above schedule and disclosed in Note no. 4.03 on leases.

e) Other adjustments include reclassification of assets taken on Finance Lease in terms of Ind AS 17 to Right of Use assets on account of adoption of Ind AS 116 (Refer Note no. 4.03).

f) Addition to Freehold Land is net- off liabilities no longer required to be paid.

All amounts are in ₹ Crores unless otherwise stated

2.02 Goodwill

Particulars	Gross Carrying Amount					Impairment					Net Carrying Amount	
	As at April 1, 2019	Addition	Disposal	Acquisition through business combinations	As at March 31, 2020	As at April 1, 2019	Acquisition through business combinations	For the Year	Other Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Goodwill	25.45	0.32	-	-	25.77	-	-	-	-	-	25.77	25.45
Total	25.45	0.32	-	-	25.77	-	-	-	-	-	25.77	25.45

Particulars	Gross Carrying Amount					Impairment					Net Carrying Amount	
	As at April 1, 2018	Addition/ Adjustments	Disposal	Acquisition through business combinations	As at March 31, 2019	As at April 1, 2018	Acquisition through business combinations	For the Year	Other Adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Goodwill	25.45	-	-	-	25.45	-	-	-	-	-	25.45	25.45
Total	25.45	-	-	-	25.45	-	-	-	-	-	25.45	25.45

2.03 Other Intangible Assets

Particulars	Gross Carrying Amount					Amortisation					Net Carrying Amount	
	As at April 1, 2019	Addition	Disposal	Acquisition through business combinations	As at March 31, 2020	As at April 1, 2019	Acquisition through business combinations	For the Year	Elimination on disposal/Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Software	22.47	6.87	0.39	-	28.95	10.66	-	3.77	0.39	14.04	14.91	11.81
Intellectual Property Rights	1.77	-	-	-	1.77	1.77	-	-	-	1.77	-	-
Mining Lease Rights	8.25	2.97	-	-	11.22	1.68	-	0.46	-	2.14	9.08	6.57
Minerals Procurement Rights	2.28	-	-	-	2.28	2.26	-	-	-	2.26	0.02	0.02
Technical Know-how	1.27	0.50	-	-	1.77	0.27	-	0.28	-	0.55	1.22	1.00
Total	36.04	10.34	0.39	-	45.99	16.64	-	4.51	0.39	20.76	25.23	19.40

All amounts are in ₹ Crores unless otherwise stated

Particulars	Gross Carrying Amount					Amortisation					Net Carrying Amount	
	As at April 1, 2018	Addition/ Adjustments	Disposal	Acquisition through business combinations	As at March 31, 2019	As at April 1, 2018	Acquisition through business combinations	For the Year	Elimination on disposal/Adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Software	16.71	5.76	-	-	22.47	7.16	-	3.50	-	10.66	11.81	9.55
Intellectual Property Rights	1.77	-	-	-	1.77	1.77	-	-	-	1.77	-	-
Mining Lease Rights	8.25	-	-	-	8.25	1.24	-	0.44	-	1.68	6.57	7.01
Minerals Procurement Rights	2.28	-	-	-	2.28	2.26	-	-	-	2.26	0.02	0.02
Technical Know-how	0.14	1.13	-	-	1.27	0.10	-	0.17	-	0.27	1.00	0.04
Total	**29.15**	**6.89**	-	-	**36.04**	**12.53**	-	**4.11**	-	**16.64**	**19.40**	**16.62**

Range of remaining period of amortisation as at March 31, 2020 of Intangible assets is as below:

Assets	Range of remaining period of amortisation			
	< 5 year	6 - 10 year	> 10 year	Net Carrying Amount
Software	8.96	5.95	-	14.91
Mining Lease Rights	3.08	4.71	1.29	9.08
Minerals Procurement Rights	0.02	-	-	0.02
Technical Know-how	0.82	0.40	-	1.22
Total	**12.88**	**11.06**	**1.29**	**25.23**

All amounts are in ₹ Crores unless otherwise stated

2.04 Investments in Joint Ventures and Associates

Particulars	As at March 31,			
	2020		2019	
	Qty	Amount	Qty	Amount
Investments in Equity Instruments accounted for using equity method:				
Investment in Joint Ventures - Unquoted				
TBK Deepgiri Tile Bath Kitchen Private Limited	50,000	1.68	50,000	1.85
TBK Florance Ceramics Private Limited	1,55,000	2.31	1,55,000	2.53
TBK Krishna Tile Bath Kitchen Private Limited	-	-	5,000	-
TBK PB Shah Tile Bath Kitchen Private Limited	-	-	50,000	-
TBK Rishi Ceramics Private Limited	-	-	5,000	0.27
TBK Unique Jalgaon Tile Bath Kitchen Private Limited	5,000	-	5,000	0.01
TBK Home Trends Private Limited	-	-	5,000	-
Ardex Endura (India) Private Limited	65,00,000	53.73	65,00,000	47.15
Investment in Associates - Unquoted				
Prism Power and Infrastructure Private Limited	4,900	-	4,900	-
CSE Solar Parks Satna Private Limited	55,00,000	5.47	2,70,001	0.21
Sunspring Solar Private Limited	14,78,412	1.55	-	-
Investments in Preference shares - measured at amortised cost				
Investment in Joint Ventures- Unquoted				
TBK PB Shah Tile Bath Kitchen Private Limited (0% Redeemable Preference Shares)	25,000	0.09	25,000	0.08
TBK Rishi Ceramics Private Limited (0% Redeemable Preference Shares)	12,500	0.04	12,500	0.04
TBK Deziner's Home Private Limited (0% Redeemable Preference Shares)	60,000	0.16	60,000	0.15
Total investments		65.03		52.29

2.05 Investments

Particulars	As at March 31, 2020	As at March 31, 2019
Non-Current		
Investments- unquoted (fully paid-up)		
(a) Investments in Equity Instruments - measured at FVTPL	0.02	0.02
(b) Investments in Equity Instruments - designated at FVTOCI		
B L A Power Private Limited {No. of Shares 1,75,00,000 (Previous year : 1,75,00,000)} (Refer note no. 4.08)	5.18	21.30
TBK Reddy Tile Bath Kitchen Private Limited {No. of Shares 100 (Previous year : 100)}	#	#
TBK Shriram Tile Bath Kitchen Private Limited {No. of Shares 500 (Previous year : 500)}	#	#
TBK Tile Home Private Limited {No. of Shares 100 (Previous year : 100)}	#	#
TBK Raj Kamal Tile Bath Kitchen Private Limited {No. of Shares 100 (Previous year : Nil)} (*)	#	-
TBK Deziner's Home Private Limited {No. of Shares 500 (Previous year : Nil)} (*)	#	-
TBK Solan Ceramics Private Limited {No. of Shares 100 (Previous year : Nil)} (*)	#	-
TBK Krishna Tile Bath Kitchen Private Limited {No. of Shares 100 (Previous year : Nil)} (*)	#	-
TBK P B Shah Tile Bath Kitchen Private Limited {No. of Shares 2000 (Previous year : Nil)} (*)	#	-
TBK Shree Ganesh Traders Private Limited {No. of Shares 100 (Previous year : Nil)} (*)	#	-
(c) Investment in debenture or bonds - measured at FVTOCI		
Government Securities and Government Bonds	127.78	128.89
Debentures / Bonds	102.74	85.81
Investment in Infrastructure and Social sectors	72.44	86.66
Total aggregate unquoted investments	308.16	322.68

* During the year, the Group decided to divest it's stake in Joint Ventures known as TBK P B Shah Tile Bath Kitchen Private Limited, TBK Deziner's Home Private Limited, TBK Rathi Sales Agencies Private Limited, TBK Krishna Tile Bath Kitchen Private Limited, TBK Rishi Ceramics Private Limited, TBK Shree Ganesh Traders Private Limited, TBK Home Trends Private Limited, TBK Aishwarya Tile Bath Kitchen Private Limited, TBK Solan Ceramics Private Limited, TBK Raj Kamal Tile Bath Kitchen Private Limited, which are engaged in retail activity of TBK segment. As a part of these arrangements the irrecoverable dues are amounting to ₹ 0.30 Crores has been charged to the Statement of Profit & Loss.

Amount less than ₹ 50,000/-

	2020	2019
Aggregate fair value of quoted investments	-	-
Aggregate fair value of unquoted investments	308.16	322.68
Aggregate fair value of investments measured at FVTPL	0.02	0.02
Aggregate fair value of investments designated at FVTOCI	5.18	21.30
Aggregate fair value of investments measured at FVTOCI	302.96	301.36

Particulars	2020	2019
Current		
Investments - unquoted		
(a) Investments in debentures or bonds- measured at FVTOCI		
Government Securities and Government Bonds	81.24	15.02
Other Debentures / Bonds	35.19	50.09
Investment in Infrastructure and Social sectors	15.15	14.96
(b) Investments in Mutual Funds - measured at FVTPL	18.21	29.68
Total aggregate unquoted investments	149.79	109.75

Aggregate fair value of quoted investments	-	-
Aggregate fair value of unquoted investments	149.79	109.75
Aggregate fair value of investment measured at FVTOCI	131.58	80.07
Aggregate fair value of investment measured at FVTPL	18.21	29.68

2.06 Loans

Particulars		Non-current		Current	
		As at March 31,		As at March 31,	
		2020	2019	2020	2019
Security Deposits- Utility					
Secured, considered good		0.41	-	-	-
Unsecured, considered good		41.23	41.35	2.14	2.15
	(a)	41.64	41.35	2.14	2.15
Security Deposits- Rental					
Unsecured, considered good		16.52	17.37	-	-
Unsecured, credit impaired		0.74	0.77	-	-
		17.26	18.14	-	-
Less : Provision for Impairment		0.74	0.77	-	-
	(b)	16.52	17.37	-	-
Loans to related parties (*)					
Unsecured, considered good		1.12	4.39	-	-
Unsecured, credit impaired		0.24	-	-	-
		1.36	4.39	-	-
Less : Provision for Impairment		0.24	-		-
	(c)	1.12	4.39	-	-
Loans to employees					
Unsecured, considered good		1.21	1.49	3.34	2.93
	(d)	1.21	1.49	3.34	2.93
Loans to others					
Unsecured, considered good		1.74	6.53	-	-
Unsecured, credit impaired		0.31	3.64	-	-
		2.05	10.17	-	-
Less : Provision for Impairment		0.31	3.64	-	-
	(e)	1.74	6.53	-	-
Total	(a + b + c + d + e)	62.23	71.13	5.48	5.08

These financial assets are carried at amortised cost.

(*) Refer note 4.09

2.07 Other financial assets

Particulars	Non-current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Insurance claim receivable (refer note 4.15)	58.94	58.94	2.56	4.12
Bank deposits with more than twelve months maturity (restricted use)	2.53	1.98	2.54	-
Balances in Escrow accounts with banks (restricted use)	0.05	0.05	-	-
Accrued interest	1.19	2.52	14.84	14.24
Balances related to Coal Mine and Infrastructure (refer note 4.14)	13.93	13.93	-	-
Other receivables	13.54	16.80	36.87	16.84
Total	**90.18**	**94.22**	**56.81**	**35.20**

2.08 Deferred tax assets (net)

Significant components of deferred tax assets/(liabilities) recognized in the financial statements are as follows:

Particulars	As at March 31,	
	2020	2019
Deferred tax assets / (liabilities) in relation to :		
Unabsorbed depreciation / Business losses as per Income Tax	32.98	58.20
Provision for employee benefits	0.24	58.91
Other temporary differences / unutilised tax asset	8.31	85.68
Property, plant and equipment	(24.99)	(162.13)
Total	**16.54**	**40.66**

The movement in deferred tax assets/(liabilities) during the year ended March 31, 2020 and March 31, 2019:

Particulars	As at March 31, 2020	Credited / (Charged) to Statement of P&L /OCI	As at March 31, 2019	Credited / (Charged) to Statement of P&L /OCI	As at March 31, 2018
Deferred tax assets / (liabilities) in relation to :					
Unabsorbed depreciation / Business losses as per Income Tax	32.98	(25.22)	58.20	(94.49)	152.69
Provision for employee benefits	0.24	(58.67)	58.91	3.99	54.92
Other temporary differences / unutilised tax asset	8.31	(77.37)	85.68	49.67	36.01
Property, plant and equipment	(24.99)	137.14	(162.13)	12.13	(174.26)
Total	**16.54**	**(24.12)**	**40.66**	**(28.70)**	**69.36**

Unrecognised deductible temporary differences, unused tax losses and unused tax credits :	As at March 31,	
	2020	2019
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
Unabsorbed depreciation	55.55	24.72
Business losses	175.42	153.66
Total	230.97	178.38

Expiry schedule of Unrecognised deductible temporary differences, unused tax losses and unused tax credits :

Expiry of losses	Business losses	Unabsorbed depreciation
2020-21	17.46	-
2021-22	16.45	-
2022-23	20.54	-
2023-24	18.17	-
2024-25	29.68	-
Five years and above	73.12	-
Indefinite	-	55.55
Total	**175.42**	**55.55**

2.09 Other assets

Particulars	Non-current		Current	
	As at March 31,		As at March 31,	
	2020	**2019**	**2020**	**2019**
Capital Advances				
Unsecured, considered good	56.92	74.67	0.03	-
Doubtful	0.34	-	-	-
	57.26	74.67	0.03	-
Less : Provision for Impairment	0.17	-	-	-
	57.09	**74.67**	**0.03**	-
Advances other than Capital Advances				
Balances with government authorities:				
CENVAT/ VAT/ GST Receivable	2.47	3.41	36.45	40.21
Balances with Statutory Authorities	0.04	-	1.38	0.28
Excise / VAT / Service Tax / Custom duty deposited under protest	33.08	43.12	0.19	0.76
Advance Income Tax (net of provision for taxation)	0.65	1.17	-	0.61
Security Deposits	4.69	5.52	0.95	1.40
Advances to related parties	-	-	0.95	1.02
Advances to other parties (net of provision for impairment)	15.46	15.63	29.03	69.94
Prepaid expenses	2.78	2.35	19.22	19.49
Royalty refund receivable	-	-	17.12	17.12
Others	59.67	79.52	38.15	35.21
Total	**175.93**	**225.39**	**143.47**	**186.04**

2.10 **Inventories**

Particulars	As at March 31, 2020	As at March 31, 2019
Raw materials	171.86	167.39
Goods-in-transit	0.39	1.67
Stores and spares	91.99	90.19
Goods-in-transit	0.17	0.27
Fuel Stock	53.65	26.84
Goods-in-transit	5.55	76.16
Work-in-progress	78.36	79.54
Finished goods	274.63	207.11
Goods-in-transit	12.54	18.55
Stock-in-trade	52.51	40.96
Goods-in-transit	0.02	0.60
Total	**741.67**	**709.28**

Notes : (a) Amount charged to the Statement of Profit and Loss on account of write-down of inventories to net realisable for the year is ₹ 22.59 Crores (Previous year : ₹ 13.01 Crores).

(b) Above inventory includes damaged stock of finished goods of cement amounting to ₹ 2.95 Crores (Previous year: ₹ 0.51 Crores) in respect of which insurance claims have been lodged. The management expects to recover the amount atleast equal to it's carrying value.

2.11 **Trade receivables**

Particulars	As at March 31, 2020	As at March 31, 2019
Secured, considered good	81.60	55.00
Unsecured, considered good	632.02	667.18
Unsecured, credit impaired	141.43	121.98
	855.05	**844.16**
Less : Provision for Impairment	141.43	121.98
Total	**713.62**	**722.18**

2.12 Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks:		
In current accounts	23.14	52.35
Deposits with original maturity of less than three months	112.52	4.64
Cheques / drafts on hand	0.09	3.85
Cash on hand	1.29	1.37
Total	**137.04**	**62.21**

2.13 Bank balances other than Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Unclaimed Dividend	0.65	0.46
Term deposits (original maturity for more than three months but less than twelve months)	277.33	7.54
Term deposits (original maturity for more than three months but less than twelve months) (restricted use)	2.84	3.60
Total	**280.82**	**11.60**

2.14 Current Tax Assets (net)

Particulars	As at March 31, 2020	As at March 31, 2019
Current tax assets		
Taxes paid	85.12	70.06
Tax refund receivable	0.57	0.50
Benefit of tax losses to be carried back to recover taxes paid in prior periods	-	0.11
Others	0.28	0.21
	85.97	70.88
Current tax liabilities		
Provision for taxation	37.26	4.20
Income tax payable	(0.87)	37.96
	36.39	42.16
Total	**49.58**	**28.72**

2.15 Equity share capital

Particulars	As at March 31, 2020	As at March 31, 2019
Paid up Share Capital :		
50,33,56,580 (Previous year : 50,33,56,580) Equity shares of ₹ 10/- each	503.36	503.36
Total	**503.36**	**503.36**

a. Reconciliation of shares outstanding as at the beginning and at the end of the reporting period:

Equity shares	As at March 31, 2020	As at March 31, 2019
At the beginning of the year	50,33,56,580	50,33,56,580
Outstanding at the end of the year	**50,33,56,580**	**50,33,56,580**

b. Rights, preference and restrictions attached to Equity shares:

The Company has one class of Equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per equity share. The shareholders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company in proportion to their shareholding after distribution of all preferential amounts.

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

Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% of holding	No. of Shares	% of holding
Manali Investment & Finance Private Limited	6,78,17,992	13.47%	6,78,17,992	13.47%
Hathway Investments Private Limited	6,41,13,400	12.74%	6,41,13,400	12.74%
Coronet Investments Private Limited	5,79,49,394	11.51%	5,79,49,394	11.51%
Rajan B. Raheja	5,14,06,327	10.21%	5,14,06,327	10.21%
Bloomingdale Investment & Finance Private Limited	3,15,07,000	6.26%	3,12,89,300	6.22%

2.16 Other Equity

Particulars	As at March 31,	
	2020	2019
General reserve	192.35	192.64
Retained earnings	341.90	320.63
Other Comprehensive Income (Financial assets measured as at FVTOCI)	2.59	0.42
Capital reserve	(5.43)	(1.10)
Capital redemption reserve	14.20	13.91
Debentures redemption reserve	-	96.25
Total	**545.61**	**622.75**

Description of the nature and purpose of each reserve within equity is as follows:

(a) General Reserve

The Group had transferred a portion of the net profits before declaring dividend to the general reserve pursuant to the earlier provisions of the Companies Act, 1956. Mandatory transfer to general reserve before declaration of dividend is not required under the Companies Act, 2013.

(b) Retained Earnings

Retained earnings are the net profits that the Group has earned till date and is net of amount transferred to other reserves such as general reserves, debenture redemption reserve etc., amount distributed as dividend and adjustments in terms of Ind AS 101.

(c) Capital Reserve

Capital reserve represents recognition of equity component included in investments made in subsidiaries by way of preference shares and on applying Ind AS 103 Business Combination in accounting acquisitions made during the year.

(d) Capital Redemption Reserve

Capital redemption reserve was created pursuant to the scheme of amalgamation.

(e) Debenture Redemption Reserve (DRR)

The Group has issued non-convertible debentures. Pursuant to the Companies (Share Capital and Debentures) Amendment Rules, 2019 effective from August 16, 2019, the Group is not required to create a DRR of 25% of the value of its outstanding Non-convertible debentures. Accordingly, the balance in DRR is transferred to Retained Earnings.

2.17 **Borrowings**

Particulars	Non-current As at March 31, 2020	Non-current As at March 31, 2019
Secured		
Bonds / debentures		
- 10.40% Non-convertible Debentures (refer Sr. No.1) {800 Nos. (Previous year : 800 Nos.) debentures of ₹ 0.10 Crore each}	80.00	80.00
- 10.40% Non-convertible Debentures (refer Sr. No.2) {1200 Nos. (Previous year : 1200 Nos.) debentures of ₹ 0.10 Crore each}	120.00	120.00
- 10.70% Non-convertible Debentures (refer Sr. No. 3) {1000 Nos. (Previous year : 1000 Nos.) debentures of ₹ 0.10 Crore each}	100.00	100.00
- 9.25% Non-convertible Debentures (refer Sr. No.4) {1781 Nos. (Previous year : 2000 Nos.) debentures of ₹ 0.10 Crore each}	178.10	200.00
- 9.00% Non-convertible Debentures (refer Sr. No. 5) {Nil (Previous year : 1500 Nos.) debentures of ₹ 0.10 Crore each}	-	150.00
-10.25% Non-convertible Debentures (refer Sr. No. 6) { Nil (Previous year : 750 Nos.) debentures of ₹ 0.10 Crore each}	-	74.93
Term loans		
from banks (refer Sr. No. 7 to 27)	987.26	675.23
from other parties (refer Sr. No. 28)	24.86	-
Vehicle loans		
from banks (refer Sr. No. 29 to 36)	3.44	5.16

Particulars	Non-current	
	As at March 31,	
	2020	2019
Unsecured		
- 10.70% Non-Convertible Debentures (refer Sr. No. 56) {1150 Nos. (Previous year : Nil) debentures of ₹ 0.10 Crore each}	115.00	-
- 10.00% Non-Convertible Debentures (refer Sr. No. 57) {840 Nos. (Previous year Nil) debentures of ₹ 0.10 Crore each}	84.00	-
- 10.40% Non-Convertible Debentures (refer Sr. No. 58) {500 Nos. (Previous year : 500 Nos.) debentures of ₹ 0.10 Crore each}	50.00	50.00
- 10.65% Non-convertible Redeemable Debentures (refer Sr. No. 59) {500 Nos. (Previous year : 500 Nos.) debentures of ₹ 0.10 Crore each}	49.94	49.90
- 10.65% Non-Convertible Debentures (refer Sr. No. 60) {750 Nos. (Previous year : 750 Nos.) debentures of ₹ 0.10 Crore each}	75.00	75.00
0.01% Non-cumulative Redeemable Preference Shares (refer Sr. No. 61)	2.00	1.84
0.02% Non-cumulative Redeemable Preference Shares (refer Sr. No. 62)	2.50	-
Term Loan from banks (refer Sr. No. 63)	89.82	-
Inter-corporate deposits (refer Sr. No. 64)	-	0.13
Fixed Deposits from Public (refer Sr. No. 65)	0.57	6.41
Finance lease obligations (refer Sr. No. 66)	-	28.75
	1,962.49	1,617.35
Less : Disclosed under other financial liabilities		
Current maturities of non-current borrowings	457.55	431.80
Current maturities of finance lease obligations	-	8.47
Unclaimed fixed deposits	0.57	1.93
Total	1,504.37	1,175.15

Particulars	Current	
	As at March 31,	
	2020	2019
Secured		
Loans repayable to banks		
On Demand (refer Sr. No. 37 to 54)	151.48	175.65
Buyer's Credit (refer Sr. No. 55)	25.95	8.23
Unsecured (refer Sr. No. 67)		
Working Capital Demand Loans from banks	5.00	15.00
Loan from related party	-	0.19
Inter-corporate deposits	-	3.50
Commercial Paper (Maximum balance outstanding ₹ 150 Crores (Previous year : ₹ 100 Crores))	100.00	100.00
Total	282.43	302.57

(a) **Debentures (Secured) :**

The Group has issued the following secured redeemable Non-convertible debentures:

S. No.	Nature of Security	Terms of Repayment	As at March 31,	
			2020	2019
1	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future, except leased assets.	Allotted on August 31, 2018 and repayable at 10.40 % pa XIRR basis redemption premium on September 27, 2021.	80.00	80.00
2	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future, except leased assets.	Allotted on August 3, 2018 and repayable at 10.40 % pa XIRR basis redemption premium on June 22, 2021.	120.00	120.00
3	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, except leased assets.	Allotted on November 10, 2017 and repayable on November 10, 2020 with Put / Call option at par on November 12, 2018 and November 11, 2019.	100.00	100.00
4	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future except leased assets.	Allotted on December 13, 2016 and repayable at 9.25 % pa XIRR basis redemption premium on April 29, 2020. During the year, part prepayment was made for ₹ 21.90 Crores on March 23, 2020	178.10	200.00
5	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future except leased assets.	Allotted on January 21, 2015 and repayable on January 21, 2020 with call option at par on July 21, 2016 and Put / Call option at par on July 20, 2018; January 21, 2019; July 19, 2019. During the year, the terms of Non convertible debentures were modified with the consent of Debenture holder and ROI decreased to 9.00 %.	-	150.00
6	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Subsidiary Company. Further corporate guarantee has been extended by the Holding Company.	Allotted on December 02, 2016 and repayable at the end of 37 months from the date of allotment.	-	74.93
	Total		478.10	724.93

(b) Nature of Security and terms of repayment for secured borrowings (other than debentures):

S.No	Nature of Security	Terms of Repayment	As at March 31, 2020	As at March 31, 2019
7	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future.	Quarterly in equal installments payable over a period of 6 years commencing after moratorium period of two years. Availed on March 16, 2016.	47.50	142.50
8	First exclusive charge on the office premises of HRJ division on units 1 to 4 on 7th Floor, Windsor.	Quarterly installments payable over a period of Five years. ₹ 4.16 Crores each per quarter from November 17, 2018.	25.00	41.67
9	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 13 equal installments payable from the last day of 18th month from date of first drawdown of facility availed on April 21, 2017.	-	59.23
10	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 13 equal installments payable from the last day of 18th month from date of first drawdown of facility availed on July 20, 2017.	-	83.08
11	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 19 equal installments payable from the last day of 9th month from date of first drawdown of facility availed on September 27, 2018.	57.89	100.00
12	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 19 equal installments payable from the last day of 9th month from date of first drawdown of facility availed on November 19, 2018.	63.16	100.00
13	Secured by first pari passu charge over all movable and immovable Tangible and Intangible assets both present and future of the Subsidiary Company. Further, corporate guarantee has been extended by the Holding Company.	Quarterly in 12 equal installments payable from the last day of 18th month from date of first drawdown of facility availed on March 16, 2017.	6.25	55.98
14	Secured by first pari passu charge over all movable and immovable Tangible and intangible assets both present and future of the Subsidiary Company. Further, corporate guarantee has been extended by the Holding Company.	Quarterly in 19 equal installments.	74.29	-
15	Secured by first pari passu charge over all movable and immovable Tangible and intangible assets both present and future of the Subsidiary Company. Further, corporate guarantee has been extended by the Holding Company.	Quarterly installments payable over a period of 3 years.	24.78	-
16	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 17 structured installments payable from the last day of 9th month from date of first drawdown of facility availed on September 20, 2019.	200.00	-
17	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 17 structured installments payable from the last day of 9th month from date of first drawdown of facility availed on September 13, 2019.	150.00	-

S.No	Nature of Security	Terms of Repayment	As at March 31.	
			2020	2019
43	Secured by first pari passu charge by hypothecation of total current assets and second pari passu charge over entire Tangible and Intangible assets (other than Land and building) and personal guarantees of three directors of the Subsidiary Company.	Repayable on demand.	35.39	46.41
44	Secured by hypothecation of stock, book debts, and all other current assets (present & future). Equitable mortgage over the immovable property (factory land) of the Subsidiary Company.	Repayable on demand.	34.05	37.73
45	Secured by hypothecation of land & building and all Tangible and Intangible assets and all current assets & personal guarantee of two directors of the Subsidiary Company.	Repayable on demand.	19.15	18.51
46	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and second pari passu charge by way of mortgage and hypothecation on all Tangible and Intangible assets both present and future. Further corporate guarantee has been extended by the Holding Company.	Repayable on demand.	0.11	3.06
47	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and Second pari passu charge on the assets by way of mortgage and hypothecation on entire movable and immovable fixed assets of the company, present and future, along with other banks in multiple banking arrangements and corporate guarantee of the Holding Company.	Repayable on demand.	10.00	15.00
48	Secured by first pari passu charge on all Tangible and Intangible assets of the Subsidiary Company, second pari passu charge on current assets of the Subsidiary Company both present and future. The facility will be secured by Fixed Deposit margin of 150% of facility amount of the Subsidiary Company. Further, corporate guarantee has been extended by the Holding Company.	Repayable on demand.	-	2.29
49	Secured by way of hypothecation of stocks and book debts.	Repayable on demand.	-	1.15
50	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and second pari passu charge by way of mortgage and hypothecation on all Tangible and Intangible assets of the Subsidiary Company, both present and future. Further, corporate guarantee has been extended by the Holding Company.	Repayable on demand.	2.50	-

S.No	Nature of Security	Terms of Repayment	As at March 31, 2020	As at March 31, 2019
51	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and second pari passu charge by way of mortgage and hypothecation on all Tangible and Intangible assets of the Subsidiary Company, both present and future. Further, corporate guarantee has been extended by the Holding Company.	Repayable on demand.	4.84	4.85
52	Secured by hypothecation of all present and future current and movable assets of the Company and exclusive equitable mortgage of Property situated at Motiwala Nagar, Aurangabad owned by one of the Directors and personal guarantee of two Directors of the Subsidiary Company.	Repayable on demand.	-	0.46
53	Secured by hypothecation of all current assets, both present and future and all movable Property, plant and equipment of the Subsidiary Company. Further equitable mortgage of the Immovable property of the Subsidiary Company.	Repayable on demand.	8.50	9.51
54	Secured by first pari passu charge over entire current assets both present and future of RMC Division.	Payable within one year.	6.14	-
55	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of HRJ Division.	As per due dates of respective buyer's credit.	25.95	8.23
	Total		5,240.43	4,905.52
	Less: Unamortised borrowing costs		7.44	3.25
	Total		5,232.99	4,902.27

(c) Nature of Security and terms of repayment for unsecured borrowings :

S.No	Nature of Security	Terms of Repayment	As at March 31, 2020	As at March 31, 2019
	Non-current Borrowings:			
56	Non-Convertible Debentures	Allotted on July 26, 2019 and repayable on July 25, 2022 .	115.00	-
57	Non-Convertible Debentures	Alloted on January 31, 2020 and repayable on January 31 2023 with Put / Call option at par on January 31, 2022.	84.00	-
58	Non-convertible Debentures	Allotted on September 17, 2018 and repayable on September 17, 2021 with Put / Call option at par on September 17, 2020.	50.00	50.00
59	Non-convertible Debentures	Allotted on September 14, 2018 and repayable at the end of 36 months from the date of allotment.	49.94	49.90
60	Non-convertible Debentures	Allotted on April 11, 2018 and repayable on April 9, 2021 with Put / Call option at par on April 11, 2019 and April 11, 2020.	75.00	75.00
61	Non-cumulative Redeemable Preference Shares	Redemption on or before March 31, 2027	2.00	1.84
62	Non-cumulative Redeemable Preference Shares	Redemption on or before March 31, 2028	2.50	-
63	Term Loan	Quarterly in 10 equal installments payable from the last day of 9th month from date of first drawdown of facility availed on May 27, 2019.	90.00	-
64	Inter corporate deposits	Original terms of repayment was three years from April 01, 2016. However, the same has been revised from April 01, 2018 for a period of one year.	-	0.13
65	Fixed Deposits from Public	Payable over a period of one to two years from the respective date of disbursement.	0.57	6.41
66	Finance lease obligation	Payable over period of five years from the respective date of disbursement.	-	28.75
67	Current Borrowings		105.00	118.69
	Total		574.01	330.72
	Less: Unamortised borrowing costs		0.18	-
	Total		**573.83**	**330.72**
	Total Borrowings (a + b + c)		**6,284.92**	**5,957.92**

(d) Aggregate value of non-current borrowings guaranteed by others:

Particulars	As at March 31, 2020	As at March 31, 2019
Bonds / debentures		
Principal	50.00	125.00
Interest	2.89	5.41
Term loans from banks		
Principal	137.25	74.25
Interest	0.03	-

(e) Assets pledged as security:

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Cash and cash equivalents	2.31	2.71
Other Bank Balance	1.46	4.23
Receivables	825.54	903.40
Inventories	741.94	708.49
Others	2.10	3.33
Total (a)	**1,573.35**	**1,622.16**
Non - current		
Freehold Land	643.09	598.74
Buildings	168.94	168.09
Plant and Machinery	1,333.65	1,339.81
Railway Siding	3.41	3.70
Office Equipments	4.37	4.18
Furniture and Fixtures	5.99	6.31
Computers	2.36	2.60
Mines Development	81.75	71.73
Vehicles	7.28	8.75
Movable fixed assets at Pen, Dewas and Kunigal	188.50	-
Total (b)	**2,439.34**	**2,203.91**
Total (a+b)	**4,012.69**	**3,826.07**

2.18 Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of Micro Enterprises & Small Enterprises	18.61	16.61
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	759.25	756.05
Total	**777.86**	**772.66**

2.19 Other financial liabilities

Particulars	Non Current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Current maturities of non-current borrowings	-	-	457.55	431.80
Current maturities of finance lease obligations	-	-	-	8.47
Payables for acquisition of Property, plant and equipment	-	-	33.75	36.38
Interest accrued	37.53	60.56	100.78	23.68
Unclaimed dividends*	-	-	0.65	0.47
Unpaid matured deposits and interest accrued thereon	-	-	0.78	2.31
Security deposits from customers / others	264.45	248.50	18.53	11.53
Payable to employees	-	-	14.19	13.77
Financial lease obligations	2.07	2.10	-	-
Liability for expenses	6.79	0.84	304.49	258.72
Proportionate share in Joint Venture losses	-	-	0.25	1.70
Others	144.40	123.12	219.65	124.70
Total	**455.24**	**435.12**	**1,150.62**	**913.53**

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2020 (Previous year : Nil).

Detail of Current Maturities of Non-Current Borrowings	As at March 31, 2020	As at March 31, 2019
Secured Loans :		
Non-convertible debentures	278.10	224.93
Term loans	138.02	200.55
Vehicle loans	1.43	1.71
Unsecured Loans :		
Term loans	40.00	-
Fixed Deposits from public	-	4.48
Inter Corporate Deposits	-	0.13
	457.55	**431.80**

2.20 Provisions

Particulars	Non Current As at March 31, 2020	Non Current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Employee benefits				
Provision for Gratuity	6.28	5.02	2.18	1.40
Provision for Bonus	-	-	22.47	16.78
Provision for Leave Encashment	19.80	18.28	15.71	9.05
Others	-	0.16	14.20	12.46
	26.08	23.46	54.56	39.69
Others				
Provision for claims under litigations	0.07	0.07	-	-
Provision for expenses	-	-	0.19	0.23
Others	6.06	5.15	-	-
	6.13	5.22	0.19	0.23
Total	**32.21**	**28.68**	**54.75**	**39.92**

2.21 Deferred tax liabilities (net)

Significant components of deferred tax liabilities/(assets) recognized in the financial statements are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax liabilities / (assets) in relation to :		
Unabsorbed Depreciation / Business Loss as per Income Tax	(58.78)	1.19
Provision for employee benefits	(58.35)	(0.94)
Other temporary differences	47.10	(9.82)
Property, plant and equipment	149.23	36.57
Total	79.20	27.00

The movement in deferred tax liabilities/(assets) during the year ended March 31, 2020 and March 31, 2019:

Particulars	As at March 31, 2020	Credited / (Charged) to Statement of P&L /OCI	As at March 31, 2019	Credited / (Charged) to Statement of P&L /OCI	As at March 31, 2018
Deferred tax liabilities / (assets) in relation to :					
Unabsorbed Depreciation / Business Loss as per Income Tax	(58.78)	(59.97)	1.19	0.46	0.73
Provision for employee benefits	(58.35)	(57.41)	(0.94)	(0.11)	(0.83)
Other temporary differences	47.10	56.92	(9.82)	(0.67)	(9.15)
Property, plant and equipment	149.23	112.66	36.57	2.19	34.38
Total	79.20	52.20	27.00	1.87	25.13

2.22 Other liabilities

Particulars	Non Current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Advance from customers	0.19	1.55	75.11	72.56
Statutory liabilities	26.19	26.26	65.17	123.76
Other employee benefit expenses	-	-	20.07	15.90
Others	8.08	22.00	58.93	58.98
Total	**34.46**	**49.81**	**219.28**	**271.20**

2.23 Current tax liabilities (net)

Particulars		As at March 31,	
		2020	2019
Current tax liabilities			
Provision for taxation		58.64	21.63
	(a)	58.64	21.63
Current tax assets			
Taxes paid		54.56	0.22
	(b)	54.56	0.22
Net Total	(a-b)	**4.08**	**21.41**

3.01 Revenue from operations

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations		
Sale of products	5,844.93	6,102.87
Sale of services	45.14	20.97
Other operating revenue :		
Scrap sales	9.38	13.53
Claims and recoveries	13.57	17.46
Export incentive	1.98	3.02
Investment Income of Insurance Business	30.03	26.77
Net Gain arising of financial assets designated as at FVTPL	1.69	1.10
Commission	3.28	2.43
Others	6.20	6.27
Total	**5,956.20**	**6,194.42**

Revenue from contracts with customers

I. Revenue from contracts with customers disaggregated based on geography :

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Home market	5,663.87	6,062.30
Exports	292.33	132.12
Total	5,956.20	6,194.42

II. Reconciliation of gross revenue with the revenue from contracts with customers :

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Gross Revenue	6,292.93	6,463.52
Less: Discounts and incentives	336.73	269.10
Net Revenue recognised from Contracts with Customers	5,956.20	6,194.42

III. Revenue recognised from Contract liability (Advances from Customers) :

Particulars	As at March 31, 2020	As at March 31, 2019
Closing Contract liability	75.30	74.11

The contract liability outstanding at the beginning of the year was ₹ 74.11 Crores, of which, ₹ 60.08 Crores has been recognised as revenue during the year ended March 31, 2020.

Management conclude that disaggregation of revenue disclosed in Ind AS 108 meets the disclosure criteria of Ind AS 115 and segment revenue is measured on the same basis as required by Ind AS 115, hence separate disclosures as per Ind AS 115 is not required.

3.02 Other Income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest income earned on financial assets :		
Bank deposits (at amortized cost)	10.35	1.33
Unwinding Interest on financial assets	0.35	0.14
Dividend on preference Shares	0.19	0.49
Others	5.41	5.56
Other non - operating income :		
Liabilities no longer considered as payable	0.60	0.19
Government assistance-Tax subsidy / Exemption	8.32	11.11
Miscellaneous income	2.94	7.82
Total	**28.16**	**26.64**

All amounts are in ₹ Crores unless otherwise stated

3.03 Changes in inventories

Particulars		Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the end of the year (including in-transit)			
Stock-in-trade		52.53	41.56
Work-in-progress		78.36	79.54
Finished goods		287.17	225.66
	(a)	418.06	346.76
Inventories at the beginning of the year (including in-transit)			
Stock-in-trade		41.56	34.53
Work-in-progress		79.54	53.34
Finished goods		225.66	162.50
	(b)	346.76	250.37
Total	(a - b)	71.30	96.39

3.04 Other manufacturing expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Stores and spares consumed	122.78	116.12
Plant and equipment hire charges	36.71	51.65
Repairs to plant and equipment	26.21	29.02
Royalty for minerals	61.52	63.37
Sub-contract charges	68.12	67.98
Plant upkeep expenses	52.23	45.67
Quarry expenses	13.72	19.77
Dies and punches consumed	3.74	0.56
Other manufacturing expenses	6.44	11.34
Total	391.47	405.48

3.05 Employee benefits expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	524.31	500.39
Contribution to provident and other funds	44.53	42.16
Staff welfare expenses	26.89	23.00
Total	595.73	565.55

3.06 Finance costs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest and Finance charges on financial liabilities :		
Interest on overdraft / cash credit	17.19	20.52
Interest on borrowings	200.87	174.88
Preference Share Dividend including Corporate Tax	0.24	0.40
Interest on lease obligation	13.87	2.86
Interest on Security Deposits	11.14	13.68
Other borrowing costs	8.29	7.21
Total	251.60	219.55

3.07 Depreciation, amortisation and impairment expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation of Property, plant and equipment	199.24	195.43
Depreciation on Right of Use Assets	40.36	-
Impairment of Property, plant and equipment	6.47	0.50
Amortization of intangible assets	4.49	4.11
Total	250.56	200.04

All amounts are in ₹ Crores unless otherwise stated

3.08 Other expenses

Particulars	Year ended March 31, 2020	2019
Rent expenses	26.65	41.31
Rates and taxes	19.91	18.42
Travelling and communication expenses	57.93	61.53
Commission on sales	25.57	25.09
Advertisement, sales promotion and other marketing expenses	132.19	96.40
Legal and professional fees	40.22	57.26
Re-insurance expenses	36.73	24.53
Insurance	14.20	11.67
Impairment loss allowance on other financial assets carried at amortized cost	1.40	5.05
Impairment of trade receivables	19.45	13.75
Bad debts written off	12.89	12.34
Concrete pumping expenses	14.80	15.41
Research expenses *	4.66	4.47
Repairs to buildings	4.06	3.66
Repairs others	8.48	8.23
Bank charges	6.39	6.14
Impairment on non-current assets	23.98	9.42
Net loss on foreign exchange fluctuation	0.72	1.72
Net loss on sale of investments	1.10	-
Net loss on disposal of Property, plant and equipment	1.16	1.63
Impairment/write-off of Inventories	1.50	-
Claims paid- Insurance Business	89.28	83.45
Commission- Insurance Business	14.35	9.89
Miscellaneous expenses	77.78	79.19
Total	635.40	590.56

* Research expenses comprise of :		
Salaries and wages	2.29	2.12
Travelling and Communication	0.44	0.36
Others	1.93	1.99
Total	4.66	4.47

All amounts are in ₹ Crores unless otherwise stated

3.09 Tax expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) Income tax expenses :		
Current tax		
In respect of the current year	8.60	61.75
	8.60	61.75
Deferred tax		
In respect of the current year	74.16	29.86
	74.16	29.86
Total	82.76	91.61
(b) Income tax recognised in Other Comprehensive Income		
Remeasurements of the defined benefit plans	0.59	0.49
Share in joint ventures, to the extent not to be reclassified to profit or loss	0.09	(0.03)
Net Gain arising of financial assets designated as at FVTOCI	1.49	0.25
Total	2.17	0.71
Total income tax expense recognised in the current year (a + b)	84.93	92.32

(c) A reconciliation between the Statutory income tax rate applicable to the Company and the effective income tax rate is as follows:

Particulars	2020	2019
Net profit before tax	62.11	201.21
Effective tax rate applicable to the Company	25.17%	34.94%
Tax amount at the enacted income tax rate	32.17	70.30
Share of profit / (loss) in joint venture not taxable	1.89	1.55
Entities with losses not liable to tax	9.07	18.11
Difference in tax rates of certain entities of the group	(1.00)	(2.89)
Add: Expenses not deductible in determining taxable profits	82.99	79.51
Less: Allowances/ deductible	(58.58)	(65.44)
Minimum Alternative Tax	115.58	48.29
Tax relating to earlier years	-	(0.40)
Others	(12.27)	11.18
Incremental Deferred Tax assets on account of unused tax losses and unused tax credits	(102.23)	(74.02)
Incremental Deferred Tax liability on account of other temporary differences	17.31	6.12
Tax expense as per the Statement of Profit and Loss	84.93	92.32

4.01 Earnings Per Share (EPS)	As at March 31, 2020	As at March 31, 2019
Basic earnings per share :		
Attributable to equity holders of the Group (₹)	0.03	2.31
Diluted earnings per share :		
Attributable to equity holders of the Group (₹)	0.03	2.31
Reconciliation of earnings used in calculating earnings per share :		
Basic earnings per share		
Profit attributable to equity holders of the Group used in calculating basic earnings per share (₹ Crores)	1.65	116.40
Diluted earnings per share		
Profit attributable to equity holders of the Group used in calculating diluted earnings per share (₹ Crores)	1.65	116.40
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	50,33,56,580	50,33,56,580

4.02 Exceptional items

Current FY 2019-20 :

(a) Road Infrastructure Tax is levied by Madhya Pradesh (MP) Government upon various companies having mining operation. Aggregate demand on the Company for the period 2005-06 to 2018-19 is to the tune of ₹ 14.20 crores. In earlier years, the said tax was paid under protest as per the demand from the Assessing authority. However, in recent years, the Company is made to deposit the tax in full based on self-assessment and the same is charged to Statement of Profit and Loss. The decision of the High Court in the matter was against the Company. The Company's appeal is pending before the apex court.

(b) The Cement division of the Company was denied Cenvat Credit pertaining to outward freight under Goods and Transport Agency (GTA) services aggregating to ₹ 11.44 crores for the years 2004-05 to 2017-18. The matter of a Unit of the Cement Division was decided in favour of the Company. Accordingly, provision recognised earlier has been reversed.

(c) Unit I of cement division of the Company had been exempted from payment of Sales Tax on purchases made within the State of MP. After Re-organisation of State of MP and Chhattisgarh, the Chhattisgarh Government refused to extend such benefit to the Company. South Eastern Coal Fields Limited (SECL) imposed 4% CST on Coal supply made from Chhattisgarh which was earlier at NIL rate. The Company had obtained the stay from the Chhattisgarh High Court at that time and accordingly, SECL had not charged the Tax on supply. Amount involved was ₹ 7.56 crores for the years 2000-01 to 2008-09. The decision of the Honourable Supreme Court is in favour of revenue, accordingly, provision was considered necessary.

Previous FY 2018-19 :

(a) Interest of ₹ 14.78 Crores on delayed payment of entry tax in Uttar Pradesh. However, during the previous year, in response to writ petition the Company was asked to deposit 50% of the said amount and stay was granted for the balance amount.

(b) Credit adjustment of ₹ 3.52 Crores on account of refund received of Entry Tax in Madhya Pradesh, which was earlier paid and charged to statement of profit and loss. The Company had lodged an appeal before MP Commercial Tax Tribunal Board, Bhopal for the same.

4.03 Leases

1 The Group's lease asset primarily consist of leases for Land, Office Space, Furniture, Vehicle and Plant & Machinery having various lease terms. Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Group recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognised.

2 The effect of this adoption is insignificant on the profit before tax, profit for the year and earnings per share. Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

3. The following is the summary of practical expedients elected on initial application:

a. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

b. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

c. Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17

d. Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

e. The Group has elected, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

4. Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2020:

Particulars	Category of ROU					
	Leasehold Land	Plant & Machinery	Leasehold Building	Vehicle	Furniture	Total
Transition impact on account of Ind AS 116 " Leases"	48.66	7.47	35.44	-	18.88	110.45
Reclassified from property, plant and equipment on account of adoption of Ind AS 116 "Leases" (Refer note no. 2.01)	-	36.84	-	0.41	-	37.25
Reclassified from Earnest money, Security Deposits and Advance Rentals	2.24	0.38	0.15	-	0.85	3.62
Total Right of Use as on date of Transition	50.90	44.69	35.59	0.41	19.73	151.32
Additions during the year	16.33	34.14	20.45	-	5.85	76.77
Deletion during the year	-	0.95	0.31	-	-	1.26
Depreciation of Right of use assets	11.87	11.91	8.69	0.07	7.82	40.36
Balance as at March 31, 2020	55.36	65.97	47.04	0.34	17.76	186.47

5. The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2020:

Particulars	Year Ended March 31, 2020
Transition impact on account of Ind AS 116 " Leases"	110.44
Reclassified finance lease obligation under Ind AS 17 to lease liabilities on account of adoption of Ind AS 116 "Leases" (Refer note no 2.17)	29.91
Additions during the year	76.15
Finance cost accrued during the year	16.66
Payment/Deletion of lease liabilities during the year	52.52
Balance as at March 31, 2020	180.64
Current portion of Lease Liability	36.64
Non Current portion of Lease Liability	144.00
	180.64

6. An explanation to difference between operating lease commitments as per Ind AS 17 and lease liabilities as per Ind AS 116 as on April 1, 2019 is as below:

a. The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is ranging between 10% to 11.13%

b. The difference between lease obligation recorded as of March 31, 2019, under Ind AS 17 and the value of lease liability as of April 1, 2019, is on account of practical hindsight in determining the lease term, where the contract contained options to extend or terminate the lease in measuring the lease liability in accordance with Ind AS 116, reclassification of finance lease obligations as lease liabilities and discounting the lease liabilities to the present value under Ind AS 116

7. Amounts recognised in the statement of cash flows

Particulars	2019-2020
Total cash outflow for Leases	51.50

8. Total cash outflow during the year was ₹ 54.20 Crores except for short term lease and low value assets.

9. The maturity analysis of lease liabilities are disclosed in Note no. 4.08. The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

10. Future lease payments which will start from April 1, 2020 is ₹ 93.31 Crores

11. Certain lease agreements are subject to escalation clause and with extension of lease term options. At the expiry of the lease term, in case of lease agreements other than land, the lessee has an option to purchase the assets at Fair Market Value

4.04 Employee Benefits

1. Defined contribution plans

The Group operated defined benefits contribution retirement benefits plans for all qualifying employees

The total expense recognised in the Statement of Profit and Loss of ₹ 24.95 Crores (Previous year ₹ 21.54 Crores) represents contributions payable to these plans by the Group at rates specified in rules of the plans

2. Defined benefit plans

The Group sponsors funded defined benefit plans for qualifying employees. The defined benefits plan are administered by separate funds that are legally independent entities. The governing body of the fund is responsible for the investment policy with regard to assets of the funds

These plans typically expose the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk

Investment risk : The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds

Interest risk : A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity risk : The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability

Salary risk : The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability

3. Principal assumptions used for the purpose of actuarial valuation	Valuation as at March 31,	
	2020	2019
Discount Rate	5.45% to 6.99%	7.28% to 7.94%
Expected Rate(s) of salary increase	3% to 10%	4% to 10%
Average longevity at retirement age for current beneficiaries of plans (years)	38 to 58	37 to 58
Average longevity at retirement age for current employees (future beneficiaries of the plan)	58 & 60	58 & 60
Attrition rate	2% to 15%	2% to 15%

4. (a) Amounts recognised in consolidated Statement of Profit and Loss in respect of defined benefit plans	Leave Encashment		Gratuity	
	For the year ended March 31,		For the year ended March 31,	
	2020	2019	2020	2019
Service cost:				
Current service cost	2.23	3.06	7.84	7.73
Past service cost and (gain) / loss from settlements	-	0.58	-	-
Net interest expense	1.90	1.90	2.98	2.57
Actuarial (gain) / loss	7.55	4.46	(1.89)	(1.75)
Component of defined benefit costs recognised in Statement of Profit and Loss	11.68	10.00	8.93	8.55

4. (b) Amounts recognised in consolidated Other Comprehensive Income in respect of defined benefit plans	Gratuity	
	For the year ended March 31,	
	2020	2019
Remeasurement of net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	1.23	(0.04)
Actuarial (gains) / losses arising from changes in demographic assumptions	1.07	(0.23)
Actuarial (gains) / losses arising from changes in financial assumptions	(1.95)	0.92
Actuarial (gains) / losses arising from experience adjustments	(2.88)	(0.88)
Components of defined benefits cost recognised in Other Comprehensive Income	(2.53)	(0.23)

5. (a) Movements in present value of defined benefit obligation and planned assets

	Leave Encashment		Gratuity	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Opening defined benefit obligations	27.14	31.60	59.42	51.88
Acquisition through business combination	-	-	-	-
Current service cost	2.23	3.64	7.84	7.73
Interest cost	1.90	1.90	4.01	4.33
Remeasurement (Gains)/ Losses				
Actuarial (gains) / losses arising from changes in demographic assumptions	0.71	(0.07)	1.14	(0.23)
Actuarial (gains) / losses arising from changes in financial assumptions	(0.66)	0.81	(2.01)	0.92
Actuarial (gains) / losses arising from experience adjustments	7.49	3.72	(2.88)	(0.88)
Benefits paid	(3.85)	(14.46)	(4.72)	(4.33)
Closing Defined Benefit Obligation	**34.96**	**27.14**	**62.80**	**59.42**

5. (b) Movements in fair value of the plan assets

	Gratuity	
	As at March 31,	
	2020	2019
Opening fair value of plan assets	36.13	34.68
Interest income	2.55	2.76
Contributions	0.55	2.75
Return on plan assets	(1.16)	0.05
Benefits paid	(4.37)	(4.11)
Closing fair value of plan assets	**33.70**	**36.13**

6. The category of plan assets as a percentage of total plan are as follows :

	As At March 31,	
	2020	2019
Equity Shares	15.08%	18.33%
Central and State Government Securities	66.05%	67.07%
Other Fixed Income Securities/Deposits	18.87%	14.60%
Total	100%	100%

Sensitivity Analysis

Below is the sensitivity analysis determined for significant actuarial assumption for determination of defined benefit obligation and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period

Particulars	Leave Encashment		Gratuity	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Discount Rate +100 basis points	32.98	25.35	59.58	55.81
Discount Rate -100 basis points	35.08	27.51	65.35	61.91
Salary increase Rate +1 %	34.93	27.40	65.13	61.70
Salary Increase Rate -1 %	33.10	25.44	59.73	55.95
Attrition Rate +1%	33.99	26.43	62.65	58.97
Attrition Rate -1%	34.01	26.33	61.99	58.41

4.05 (a) **Contingent Liabilities**

(i) Guarantees given by the Group's bankers and counter guaranteed by the Group. ₹ 108.31 Crores (Previous year : ₹ 73.07 Crores)
(ii) Prepayment charges claimed by banks on amounts prepaid ₹ 1.25 Crores (Previous year : ₹ 2.92 Crores)
(iii) Claims against the Group not acknowledged as debts on account of disputes.
(a) In respect of exemption of Central Sales Tax on coal purchases Nil (Previous year : ₹ 7.56 Crores). Against this matter, bank guarantee of ₹ 7.70 Crores (Previous year : ₹ 7.70 Crores) has been provided by the Company
(b) Energy Development Cess ₹ 9.89 Crores (Previous year : ₹ 9.89 Crores)
(c) Tax on Rural and Road Development is Nil (Previous year : ₹ 14.20 Crores)
(d) Other Claims in respect to income Tax, Sales Tax, Entry Tax, Excise Duty, Service Tax and other claims ₹ 246.86 Crores (Previous year : ₹ 217.42 Crores)

(b) **Capital and other Commitments**

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 112.04 Crores (Previous year : ₹ 267.13 Crores) and other commitments include outstanding letter of credit ₹ 123.49 Crores (Previous year : ₹ 147.52 Crores)

(ii) The Group has imported capital goods without payment of duty under EPCG Scheme. The Group has been granted waiver for Duty of ₹ 4.84 Crores (Previous year : ₹ 12.92 Crores) and against this waiver, the Group is committed to export goods of ₹ ₹ 78.56 Crores in a Block of 6 years from the date of authorisation of EPCG License. Till March 2020, the Group has exported goods manufactured from the Imported Capital Goods of ₹ 66.28 Crores (Previous year : ₹ 34.07 Crores). The outstanding Export Obligation as on 31st March 2020 is ₹ 12.28 Crores (Previous year : ₹ 44.49 Crores)

(c) **Financial Guarantee**

Corporate guarantees issued to the bankers ₹ 351.75 Crores (Previous year : ₹ 375.21 Crores)

(d) **Disclosure of provisions made as per the requirements of Ind AS - 37 on "Provisions, Contingent Liabilities and Contingent Assets" are as follows :**

Particulars	As at April 01, 2019	Provisions made during the year	Amounts utilised or reversed during the year	As at March 31, 2020
MPEB Cess on Generation of Electricity	8.33	-	-	8.33
MP Entry Tax / VAT	10.05	-	-	10.05
VAT on Inter Unit Transfer	0.68	-	-	0.68
Appeal with AP, Kerala, Punjab, Tamil Nadu, Karnataka and Maharashtra Commercial Tax Department	1.37	0.10	-	1.47
Mines Restoration Expenses	4.42	0.91	-	5.33
Service Tax on Goods Transport Agency	14.50	-	14.50	-
Sales Rebate	0.73	-	-	0.73
Workmen dues	0.07	-	-	0.07

In certain cases, the Company has made payments against the above provisions. In case the disputes are settled in the favour of the Company, there would be refund of ₹ 0.84 Crores (Previous year : ₹ 0.84 Crores) and in the event, these are settled against the Company there would be cash outflow of ₹ 25.82 Crores (Previous year : ₹ 39.31 Crores)

(e) In terms of long-term Gas Supply Agreement (GSA) with GAIL (India) Limited (GAIL) having validity till April, 2028, the Company is committed to draw minimum quantity of Re-Liquefied Natural Gas (RLNG) specified therein. In case of underdrawn quantities, determined on calendar year basis, the Company is liable to deposit purchase price under Take or Pay Obligation clause (TOP) of the GSA and is allowed to draw such underdrawn quantities in the balance term of the GSA at then prevailing price. In earlier years, the Company has not been able to draw committed quantity of RLNG. The Company has exhausted its downward flexibility limit available in GSA. In preceding four calendar years, GAIL has waived the TOP obligation. The amount committed under TOP for the underdrawn quantities of RLNG for the quarter ended March 31, 2020, which would be due in December 2020, if it remains undrawn or not waived, is approximately ₹ 9.20 Crores
As per past trend, RLNG is the most competitively priced natural gas available in the country, non-off take of contracted quantity of RLNG by the company is unlikely to result in any TOP liability. The aforesaid amount, if payable, will only be in the nature of an advance payment for RLNG which can be drawn anytime thereafter up to the end of term of the GSA i.e. April 2028. Accordingly, in view of the management, this contract is not in the nature of onerous contract and hence no provision is required

(f) The Hon'ble Supreme Court of India by their order dated February 28, 2019, has clarified the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. The same has been implemented w.e.f. April 1, 2019. However, pending directions or clarification form the EPFO, the quantification of impact, if any for the period upto March 31, 2019 is not ascertainable and consequently no effect has been given in the accounts.

4.06 **Capital work-in-progress includes pre-operative expenses of ₹ 82.43 Crores (Previous year : ₹ 76.60 Crores), the details of which are as under :**

Particulars	As at March 31, 2020	As at March 31, 2019
Indirect expenditure incurred during the year and considered as pre-operative expenses		
Salary, Wages and Bonus	1.60	2.41
Contribution to Provident and other funds	0.06	0.06
Rent, Rates and Taxes	0.26	0.29
Traveling and Communication	0.13	0.24
Professional fees	0.17	0.12
Depreciation	2.86	1.61
Miscellaneous expenses	0.75	0.74
Total	5.83	5.47
Add : Expenditure up to Previous year	76.60	71.13
Balance Carried forward	82.43	76.60
Cost relating to acquisition of assets and related direct expenses	176.54	47.69
Total Capital Work-in-progress	258.97	124.29

4.07 **Capital management**

Risk management

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors', creditors' and market confidence and to sustain future development and growth of its business and at the same time, optimise returns to the shareholders. The Group takes appropriate and corrective steps in order to maintain, or if necessary adjust, its capital structure.

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Group considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

Consistent with others in the industry, the Group monitors capital on the basis of the capital gearing ratio computed as under:

Net debt (Total Borrowings net of Cash and Cash equivalents) divided by Total 'Equity' (as shown in the Balance Sheet including Non-controlling interest)

The Group's strategy is to maintain a capital gearing ratio within 2.25 times. The comparative capital gearing ratios are tabulated as hereunder :

Particulars	As at March 31, 2020	As at March 31, 2019
Net Debt	1,827.06	1,846.11
Total Equity	1,293.83	1,392.05
Net Debt to Equity ratio	1.41	1.33

The Group has complied with all material externally imposed conditions relating to capital requirements and there has not been any delay or default during the period covered under these financial statements. No lenders have raised any matter that may lead to breach of covenants stipulated in the underlying documents.

4.08 Financial Instruments

(i) Methods and assumptions used to estimate the fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale

The following methods and assumptions were used to estimate the fair values.

a) The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other bank balances, deposits, loans to employees, trade payables, payables for acquisition of non- current assets, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.

b) The fair values for long term loans, long term security deposits given and remaining non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

c) The fair values of long term security deposits taken, non-current borrowings and remaining non current financial liabilities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

d) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values

(ii) Categories of financial instruments

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: inputs which are not based on observable market data

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying values	Fair value	Carrying values	Fair value
Financial assets				
Measured at amortised cost				
Trade receivables	713.62	713.62	722.18	722.18
Loans	67.71	67.71	76.21	76.21
Cash and Bank balances	420.86	420.86	75.99	75.99
Other financial assets	143.99	143.99	127.24	127.24
Measured at FVTPL				
Investments	18.23	18.23	29.70	29.70
Measured at FVTOCI				
Investment in other companies	439.72	439.72	402.73	402.73
Total Financial assets	**1,804.13**	**1,804.13**	**1,434.05**	**1,434.05**
Financial liabilities				
Measured at amortised cost				
Borrowings	2,244.92	2,244.92	1,919.92	1,919.92
Lease Liabilities	180.64	180.64	-	-
Trade payables	777.86	777.86	772.66	772.66
Other financial liabilities	1,147.74	1,147.74	906.45	906.45
Total Financial liabilities	**4,351.16**	**4,351.16**	**3,599.03**	**3,599.03**

(iii) **Level wise disclosure of financial instruments**

Particulars	As at March 31, 2020	As at March 31, 2019	Level	Valuation techniques and key inputs
Investment in equity instruments of other companies (B L A Power Private Limited)	5.18	21.30	3	Independent Valuer Certificate
Investments in mutual funds	18.21	29.68	1	Quotes from market
Investment in debenture bonds	432.54	381.43	2	Quotes from market for similar instruments
Foreign currency forward contracts - Assets	-	^	2	Quotes from banks or dealers

The following table shows a reconciliation of significant unobservable inputs from the opening balance to the closing balance for Level 3 recurring fair value measurements

Investment in equity instruments of other companies	**Amount**
Balance as on April 1, 2019	21.30
Less: Adjustment due to Fair valuation	16.12
Balance as on March 31, 2020	**5.18**

^ Amount less than ₹ 50,000 -

iv **Financial Risk Management**

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Groups financial risk management policy is set by the respective Board of the companies in the Group. The details of different types of risk and management policy to address these risks are listed below:

The Group's activities are exposed to various risks viz. Credit risk, Liquidity risk and Market risk. In order to minimise any adverse effects on the financial performance of the Group, it uses various instruments and follows polices set up by the Board of Directors / Management.

(a) **Credit Risk :**

Credit risk arises from the possibility that counter party will cause financial loss to the Group by failing to discharge its obligation as agreed.

Credit risks from balances with banks and financial institutions are managed in accordance with the Groups policy. For financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

Each Company of the Group has specific policies for managing customer credit risk: these policies factor in the customers' financial position, past experience and other customer specific factors. The Group uses the allowance matrix to measure the expected credit loss of trade receivables from customers.

Based on the industry practices and business environment in which the Group operates, management considers that the trade receivables are in default if the payment are more than 2 years past due.

Trade receivables consists of large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Table showing age of gross trade receivables and movement in expected credit loss allowance:

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Within the credit period	179.44	259.99
1-90 days past due	405.20	348.11
91-180 days past due	70.15	57.18
181-270 days past due	28.75	32.39
More than 270 days past due	171.51	146.49
Total	**855.05**	**844.16**

Movement in the expected credit loss allowance	**As at March 31, 2020**	**As at March 31, 2019**
Balance at the beginning of the year	121.98	108.23
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	19.45	13.75
Balance at the end of the year	141.43	121.98

(b) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Groups 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 conditions, without incurring unacceptable losses or risking damage to Group's reputation. In addition, processes and policies related to such risks are overseen by the senior management. The management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

In Crores

Foreign currency exposure as at March 31, 2019	USD	EURO	JPY	LKR	GBP
Trade receivables	0.15	0.02	-	11.65	-
Loans and other receivables	0.02	0.01	-	1.01	-
Borrowings	0.12	#	-	-	-
Trade payables	0.31	0.12	0.01	0.27	-
Forward contracts for payables	0.04	0.08	-	-	-

Amount less than 50,000

Particulars of un-hedged foreign currency asset / liability as at Balance Sheet date

In Crores

Currency	Nature	As at March 31, 2020		As at March 31, 2019	
		Amount in Foreign Currency	Amount (₹)	Amount in Foreign Currency	Amount (₹)
EURO	Asset	0.01	0.82	0.03	2.17
GBP	Asset	#	0.35	-	-
LKR	Asset	7.97	3.19	12.66	4.99
USD	Asset	0.23	17.63	0.17	11.90
EURO	Liability	0.15	12.73	0.04	3.02
LKR	Liability	0.29	0.12	0.27	0.11
USD	Liability	0.45	33.74	0.39	27.12
JPY	Liability	0.01	#	0.01	#

Amount less than 50,000

Foreign currency sensitivity

A increase or decrease in foreign exchange rates will have the following impact on profit after tax and impact on Equity

In Crores

Currency	Impact on Profit after Tax and Equity		Impact on Profit after Tax and Equity	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
	1 % increase	1 % increase	1 % decrease	1 % decrease
USD	(0.16)	(0.15)	0.16	0.15
EURO	(0.12)	(0.01)	0.12	0.01
LKR	0.03	0.05	(0.03)	(0.05)
Total	(0.25)	(0.11)	0.25	0.11

ii. Market Risk – Interest Rate

The interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group borrows at variable as well as fixed interest rates and the same is managed by the Group by constantly monitoring the trends and expectations. In order to reduce the overall interest cost, the Group has borrowed in a mix of short term and long term loans

Particulars	As at March 31	
	2020	2019
Variable rate borrowings	1379.36	1228.21
Fixed rate borrowings	965.56	691.71

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates on the borrowings at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of liability outstanding at the end of the reporting period was outstanding for whole the year. A 100 basis point increase or decrease is used for internal review by the key management personnel

Particulars	Impact on Profit/Loss and Equity	
	As at March 31,	
	2020	2019
Interest rates - increase by 100 basis points *	(13.79)	(6.92)
Interest rates - decrease by 100 basis points *	13.79	6.92

* Assuming all other variables as constant

4.09 **Related Party Disclosures**

Relationships

Particulars	Ownership Interest As at March 31, 2020	Ownership Interest As at March 31, 2019
Joint Venture		
Ardex Endura (India) Private Limited	50%	50%
Associates		
CSE Solar Parks Satna Private Limited	27%	27%
Sunspring Solar Private Limited	27%	-
Joint Venture of Subsidiary		
TBK Deziner's Home Private Limited (Joint Venture upto 24.06.2019)	-	50%
TBK Unique Jalgaon Tile Bath Kitchen Private Limited	50%	50%
TBK P B Shah Tile Bath Kitchen Private Limited (Joint Venture upto 21.03.2020)	-	50%
TBK Deepgiri Tile Bath Kitchen Private Limited	50%	50%
TBK Prathap Tile Bath Kitchen Private Limited	50%	50%
TBK Rathi Sales Agencies Private Limited (Joint Venture upto 14.11.2019)	-	50%
TBK Florance Ceramics Private Limited	50%	50%
TBK Sanitary Sales Private Limited	50%	50%
TBK Krishna Tile Bath Kitchen Private Limited (Joint Venture upto 21.06.2019)	-	50%
TBK Rishi Ceramics Private Limited (Joint Venture upto 23.10.2019)	-	50%
TBK Aishwarya Tile Bath Kitchen Private Limited (Joint Venture upto 24.10.2019)	-	50%
TBK Raj Kamal Tile Bath Kitchen Private Limited (Joint Venture upto 24.06.2019)	-	50%
TBK Shree Ganesh Traders Private Limited (Joint Venture upto 14.11.2019)	-	50%
TBK Home Trends Private Limited (Joint Venture upto 19.10.2019)	-	50%
TBK Solan Ceramics Private Limited (Joint Venture upto 23.08.2019)	-	50%

Companies in which Directors and/or their relatives have significant

Peninsula Estates Private Limited

Varahagiri Investments & Finance Private Limited

Others - Significant Influence

Countrywide Exports Private Limited

Step down Subsidiary

Sanskar Ceramics Private Limited

(Prism Johnson Limited also directly holds 15% stake in Sanskar Ceramics Private Limited)

Key Management Personnel (KMP)

Executive Directors

Mr. Vijay Aggarwal, Managing Director

Mr. Vivek K. Agnihotri, Executive Director & CEO-Cement

Mr. Sarat Chandak, Executive Director & CEO-HRJ (from March 3, 2019)

Mr. Atul R. Desai, Executive Director & CEO-RMC

Mr. Joydeep Mukherjee, Executive Director & CEO-HRJ (upto March 2, 2019)

Non-executive Directors

Non-Independent

Mr. Rajan B. Raheja, Director

Independent

Mr. Shobhan M. Thakore, Chairman

Ms. Ameeta A. Parpia, Director

Dr. Raveendra Chittoor, Director

Name	Relationship	Nature of transaction	Amount of transaction in FY2019-20	Amount outstanding as on March 31, 2020 (payable)/ Receivable	Amount of transaction in FY2018-19	Amount outstanding as on March 31, 2019 (payable)/ Receivable
Peninsula Estates Private Limited	Companies in which Directors and/or their relatives have significant influence	Rent expense	0.15	-	0.14	-
		Deposit given	-	0.03	-	0.03
Varahagiri Investments & Finance Private Limited	Companies in which Directors and/or their relatives have significant influence	Rent expense	0.60	-	0.58	-
		Deposit given	-	0.11	-	0.11
CSE Solar Parks Satna Private Limited	Associate	Investment made	5.23	N.A	0.27	N.A
		Purchase	2.22	(0.29)	-	-
		Incentive paid	1.00	(0.70)	-	-
Sunspring Solar Private Limited	Associate	Investment made	1.45	N.A	-	-
		Purchase	0.31	(0.27)	-	-
		Incentive paid	0.63	(0.63)	-	-
Mr. Atul R. Desai	Executive Director & CEO-RMC	Deposit given	-	0.06	-	0.06
		Rent expense	0.13	-	0.13	-
Payable to KMPs on account of Managerial Remuneration		Refer table below (*)	17.59	(1.28)	19.80	(1.41)
TBK Bansal Ceramics Private Limited	Joint Venture	Amount written-off / loan balance	-	-	0.91	-
		Interest receivable written-off / Balance receivable	-	-	0.26	-
TBK Florence Ceramics Private Limited	Joint Venture	Sales	12.39	0.32	11.08	1.31
		Selling and Distribution Expenses	0.68	-	0.70	-
		Amount Repaid	-	-	0.23	-
		Reimbursement of Services Paid	0.07	-	0.04	-
TBK Rathi Sales Agencies Private Limited	Joint Venture	Selling and Distribution Expenses	0.55	-	-	-
		Reimbursement of services received	0.12	-	0.24	-
TBK P B Shah Tile Bath Kitchen Private Limited	Joint Venture	Purchases and Services	0.01	-	0.01	-
		Interest Income	0.06	-	0.08	-
		Sales	8.72	-	5.96	0.55
TBK Sanitary Sales Private Limited	Joint Venture	Reimbursement of services paid	0.03	-	0.05	-
		Sales	6.98	1.13	-	-
		Selling and Distribution Expenses	0.09	-	-	-
		Amount written-off / loan balance	0.03	0.24	0.42	1.23

(*) Compensation to key management personnel

Particulars	Amount of transaction in FY2019-20	Amount of transaction in FY2018-19
Short-term employee benefits	16.75	18.88
Post-employment benefits	-	-
Other long-term benefits	-	-
Commission paid to Independent Directors	0.45	0.68
Sitting Fees	0.30	0.24
Total Compensation to KMP	**17.50**	**19.80**

Notes:

a) As the post-employment benefits is provided on an actuarial basis for the Company as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above.

b) The value of related party transaction & balances reported are based on actual transaction and without giving effect to notional Ind AS adjustment entries

c) Transactions disclosed against "Others" in the above table are those transactions with related party which are of the amount not in excess of 10% of the total related party transactions of the same nature.

4.10 Segment Information

Products and services from which reportable segments derive their revenues

Information reported to Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on types of goods and services delivered, or provided. No operating segments have been aggregated in arriving at reporting segments in the Group.

Segment Revenue and Results:

The following is an analysis of the Group revenue and results from continuing operations by reportable segments

		Segment Revenue		Segment Results	
		Year ended March 31,		Year ended March 31,	
		2020	2019	2020	2019
Cement	(a)	2,584.04	2,773.33	385.02	401.54
HRJ		1,822.55	1,827.32	(27.94)	0.51
Share of Profit / (loss) of Joint Ventures		-	-	7.24	4.47
Total HRJ	(b)	1,822.55	1,827.32	(20.70)	4.98
RMC	(c)	1,413.87	1,480.67	(13.93)	17.33
Insurance	(d)	189.46	153.02	(34.22)	(11.85)
	(a + b + c + d)	**6,009.92**	**6,234.34**	**316.17**	**412.00**
Less: inter Segment Revenue		53.72	39.92	-	-
Total		5,956.20	6,194.42	316.17	412.00
Add : Other un-allocable income net of un-allocable expenditure				19.84	15.56
Less: Finance costs				251.60	219.55
Profit Before Tax				84.41	208.01

Segment Assets and Liabilities:

Particulars		As at March 31, 2020	As at March 31, 2019
Segment Assets			
Cement		2,615.50	2,466.07
Investment in Associate accounted under Equity Method		5.47	0.21
Total Cement	(a)	2,620.97	2,466.28
HRJ		1,811.59	1,855.57
Investment in Joint Ventures accounted under Equity Method		59.56	52.08
Total HRJ	(b)	1,871.15	1,907.65
RMC	(c)	578.49	508.84
Insurance	(d)	577.07	481.85
Total Segment Assets	(a + b + c + d)	5,647.68	5,364.62
Unallocated		428.27	69.38
Consolidated Total Assets		6,075.95	5,434.00
Segment Liabilities			
Cement		1,000.89	924.95
HRJ		766.38	726.94
RMC		428.36	340.13
Insurance		503.15	376.29
Total Segment Liabilities		2,698.78	2,368.31
Unallocated		2,328.20	1,939.58
Consolidated Total Liabilities.		5,026.98	4,307.89

For the purposes of monitoring segment performance and allocating resources between segments:

i. All assets are allocated to reportable segments other than, other investments, loans, other financial assets Goodwill is allocated to reportable segments as described in notes

ii All liabilities are allocated to reportable segments other than borrowings, other financial liabilities, current and deferred tax liabilities.

Particulars	Depreciation and amortisation For the year ended March 31, 2020	2019	Additions to Non-current Assets As at March 31, 2020	2019
Cement	113.60	113.01	168.18	157.06
HRJ	97.50	64.22	64.56	78.64
RMC	36.82	21.69	22.39	12.95
Insurance	2.64	1.12	2.88	1.26
Total	250.56	200.04	258.01	249.91

4.11 Government grants by way of Tax subsidy /exemption schemes

a As per Madhya Pradesh Industrial Investment Promotion Assistance Scheme (2004), the second Cement Unit at Satna was entitled for subsidy at the rate of 75% of VAT / CST paid on sales till December 31, 2017, subject to prescribed limits. For the period July 1, 2017 to December 31, 2017, in absence of clarity, the Company had recognised subsidy under the scheme as a percentage of State Goods and Services Tax. In the previous year, Government of Madhya Pradesh had issued an order for extension of support under the GST regime and therefore, the differential subsidy of ₹ 2.59 Crores for the above period was recognised in the Statement of Profit and Loss.

b As per Industrial promotion policy 2010 of Madhya Pradesh, HRJ Dewas unit is entitled for subsidy of VAT / CST paid on sales above the normal production capacity achieved. Subsidy recognised in the Statement of Profit and Loss receivable for the year is ₹ 0.16 Crores (Previous year : ₹ 0.98 Crores).

c Antique Marbonite Private Limited, Coral Gold Tiles Private Limited, Small Johnson Floor Tiles Private Limited and Spectrum Johnson Tiles Private Limited have received grant in the nature of exemption of Import duty such as custom duty, CVD and other duties on capital goods with certain condition related to Export of Goods under EPCG Scheme of Government of India amounting to Nil (Previous year : ₹ 12.34 Crores)

d Milano Bathroom Fittings Private Limited is entitled for 100 % of CGST, 100% SGST and 29% IGST paid through debit in cash ledger account maintained by the Entity as per Jammu and Kashmir Budgetary support scheme under Goods and Service Tax amounting to Nil (Previous year: ₹ 1.28 Crores)

e As per Jammu and Kashmir Budgetary support scheme under Goods and Service Tax, Milano Bathroom Fittings Private Limited is entitled for 58% CGST and 29% IGST paid through debit in cash ledger account maintained by the Entity. It has recognised the said GST rebate in the Statement of Profit and Loss amounting to ₹ 0.45 Crores (Previous year : Nil)

f As per Jammu and Kashmir State Freight Refund Scheme, the Milano Bathroom Fittings Private Limited is entitled for freight Subsidy for transporting manufactured goods outside the State of Jammu and Kashmir beyond 1000 kilometers. It has recognised the subsidy in the Statement of Profit and Loss amounting to Nil (Previous year : ₹ 0.15 Crores)

g As per Jammu and Kashmir Budgetary support scheme under Goods and Service Tax, Milano Bathroom Fittings Private Limited is entitled for claim 2% of the taxable turnover with respect to interstate supplies made by the industrial unit under Integrated Goods and Services Tax Act, 2017; provided that the maximum amount of annual reimbursement shall be limited to 2% of the interstate sales turnover reflected by the dealer in his returns for the accounting year 2016-17. It has recognised the Interstate Sales rebate in the Statement of Profit and Loss amounting to ₹ 0.43 Crores (Previous Year : ₹ 0. 8 Crores).

h Small Johnson Floor Tiles Private Limited and Spectrum Johnson Tiles Private Limited, have recognised the grant in the Statement of Profit and Loss amounting to ₹ 6.64 Crores (Previous year : ₹ 2.25 Crores), which was under deferred income in the earlier years

i As part of fiscal incentives to North East Region, the Ministry of Commerce & Industry had provided capital investment incentives under "North East Industrial and Investment Promotion Policy (NEIIPP), 2007". The RMC division of the Company had invested ₹ 1.56 Crores in plant and machinery in FY 2012-13 and lodged claim for capital subsidy. During the FY 2018-19, the Government had approved Company's claim against NEIIPP 2007 and sanctioned capital subsidy of ₹ 0.47 Crores. The Company had recognised this as unearned income, to be recognised in the Statement of Profit and Loss over the balance useful life of the assets

4.12 Interests in other entities

Subsidiaries :

The Company's subsidiaries as at March 31, 2020 are set out below. Unless otherwise stated, they have Share Capital consisting solely of equity shares, the proportion of ownership interests held equals the voting rights held by the Company. The country of incorporation or registration is also their principal place of business

Name of entity	Country of incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal Activities
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
Raheja QBE General Insurance Company Limited	India	51%	51%	49%	49%	General insurance business
Milano Bathroom Fittings Private Limited	India	100%	100%	-	-	Manufacturing of bathroom fittings
Silica Ceramica Private Limited	India	100%	99.93%	-	0.07%	
Antique Marbonite Private Limited	India	50%	50%	50%	50%	
Spectrum Johnson Tiles Private Limited	India	50%	50%	50%	50%	
Sentini Cermica Private Limited	India	50%	50%	50%	50%	Manufacturing of Tiles
Coral Gold Tiles Private Limited	India	50%	50%	50%	50%	
Small Johnson Floor Tiles Private Limited	India	50%	50%	50%	50%	
H. & R. Johnson (India) TBK Limited	India	100%	100%	-	-	
TBK Venkataramiah Tile Bath Kitchen Private Limited (Subsidiary of H. & R. Johnson (India) TBK Limited)	India	100%	100%	-	-	
TBK Samiyaz Tile Bath KitchenPrivate Limited (Subsidiary of H & R Johnson (India) TBK Limited.)	India	100%	69.88%	-	30.12%	Trading of Tiles
TBK Rangoli Tile Bath Kitchen Private Limited (Subsidiary of H. & R. Johnson (India) TBK Limited)	India	100%	100%	-	-	
Antique Minerals Private Limited (Subsidiary of Antique Marbonite Private Limited)	India	25.50%	25.50%	74.50%	74.50%	Conversion of feldspar and quartz lumps to powder
Sanskar Ceramics Private Limited (Subsidiary of Small Johnson Floor Tiles Private Limited) (including direct holding of 15%)	India	32.50%	25%	67.50%	75%	Manufacturing of Tiles
RMC Readymix Porselano (India) Limited	India	100%	100%	-	-	Operations not yet commenced

Non-controlling interests (NCI) :

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations

Particulars		Raheja QBE General Insurance Company Limited		Antique Marbonite Private Limited (*)	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Summarised Balance Sheet :					
Current assets		250.12	160.75	100.07	132.68
Current liabilities		276.38	148.55	89.94	143.98
Net current assets	(a)	**(26.26)**	**12.20**	**10.13**	**(11.30)**
Non-current assets		331.99	324.16	166.88	177.86
Non-current liabilities		151.35	123.82	20.25	27.88
Net non-current assets	(b)	**180.64**	**200.34**	**146.63**	**149.98**
Net assets	(a + b)	**154.38**	**212.54**	**156.76**	**138.68**
Accumulated NCI		**75.42**	**103.92**	**78.72**	**69.68**

Summarised Statement of Profit and Loss	Raheja QBE General Insurance Company Limited		Antique Marbonite Private Limited	
	2019-20	2018-19	2019-20	2018-19
Revenue	189.93	153.30	313.44	298.77
Profit/(Loss) for the year	(62.40)	(19.67)	17.80	9.50
Other Comprehensive Income/ (Loss)	4.24	0.18	0.27	0.09
Total Comprehensive Income/ (Loss)	**(58.16)**	**(19.49)**	**18.07**	**9.59**
Profit/(Loss) allocated to NCI	**(28.50)**	**(9.55)**	**9.05**	**4.78**

Summarised cash flows	Raheja QBE General Insurance Company Limited		Antique Marbonite Private Limited	
	2019-20	2018-19	2019-20	2018-19
Cash flows from operating activities	80.04	75.19	37.98	40.44
Cash flows from investing activities	(70.57)	(72.97)	(1.25)	(16.22)
Cash flows from financing activities	-	-	(38.22)	(23.63)
Net increase/ (decrease) in cash and cash equivalents	**9.47**	**2.22**	**(1.49)**	**0.59**

(*) Based on consolidated financial statements

4.13 Interests in Joint Venture and Associate

Set out below is information on the Joint Venture of the Group as at March 31, 2020 which, in the opinion of the management, is material to the Group. The entity listed below have share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Relationship	Place of business	% of Ownership	Carrying amount 2019-20	Carrying amount 2018-19
Ardex Endura (India) Private Limited	Joint Venture	India	50.00%	53.60	47.01

Commitments and contingent liabilities	Ardex Endura (India) Private Limited 2019-20	Ardex Endura (India) Private Limited 2018-19
Share in Joint Venture's contingent liability in respect of VAT / CST, excise and service tax claims not acknowledge as debt	0.31	0.41
Share of capital commitment in Joint Venture	-	-

Summarised financial information for the Joint Venture :

The tables below provides summarised financial information for the Joint Venture that is material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant Joint Venture and not the Group share in the Joint Venture.

Particulars		Ardex Endura (India) Private Limited (*) 2019-20	Ardex Endura (India) Private Limited (*) 2018-19
Summarised Balance Sheet			
Current assets			
Cash and cash equivalents		0.35	3.22
Other assets		95.96	78.60
Total current assets	(a)	96.31	81.82
Total non-current assets	(b)	47.37	39.61
Current liabilities			
Financial liabilities (excluding trade payables)		5.43	5.11
Other liabilities		27.98	23.85
Total current liabilities	(c)	33.41	28.96
Non-current liabilities			
Financial liabilities (excluding trade payables)		4.61	1.16
Other liabilities		4.34	3.16
Total non-current liabilities	(d)	8.95	4.32
Net assets	(a + b - c- d)	101.32	88.15

Reconciliation to carrying amounts	Ardex Endura (India) Private Limited March 31, 2020	Ardex Endura (India) Private Limited March 31, 2019
Opening net assets	88.15	74.59
Profit for the year	13.28	13.78
Other Comprehensive Income	(0.11)	0.05
Impact of change in accounting policy	-	(0.27)
Closing net assets	101.32	88.15
Group's share in %	50%	50%
Group's share in INR	50.66	44.07
Goodwill	2.94	2.94
Carrying amount	53.60	47.01

Summarised Statement of Profit and Loss	Ardex Endura (India) Private Limited	
	March 31, 2020	March 31, 2019
Revenue from operations	155.77	154.99
Other Income	2.32	1.71
Depreciation and amortisation	4.36	2.83
Interest expense	9.83	0.59
Income tax expense	4.67	6.15
Other expenses	124.95	133.25
Profit for the year	13.28	**13.78**
Other comprehensive income	(0.11)	0.05
Total Comprehensive Income	**13.17**	**13.83**

Individually immaterial Joint Ventures and Associates :

In addition to the interests in Joint Venture disclosed above, the Group also has interests in a number of individually immaterial Joint Ventures (through subsidiaries) and Associates that are accounted for using the equity method

Particulars	March 31, 2020	March 31, 2019
Aggregate carrying amount of individually immaterial Joint Ventures and Associates	11.01	4.87
Aggregate amount of the Group's share of:		
Profit (Loss) from operations	0.53	(2.42)
Total Comprehensive Income (Loss)	**0.53**	**(2.42)**

Particulars	March 31, 2020	March 31, 2019
Share of profits (losses) from Joint Venture - Associates	6.74	6.83
Share of profits (losses) from subsidiary's Joint Ventures	0.53	(2.42)
Total share of profits / (losses) from Joint Venture / Associates	7.27	**4.41**

(*) Based on consolidated financial statements

4.14 Pursuant to Order of the Hon'ble Supreme Court dated September 24, 2014, Sial Ghogri Coal mine of the Company was de-allocated and put to auction by the Ministry of Coal through Nominated Authority. The Nominated Authority had determined compensation of ₹ 32.49 Crores for the said Coal Block as against expenses and book value of assets amounting to ₹ 47.58 Crores.

Till date, a sum of ₹ 32.34 Crores has been disbursed by the Nominated Authority. The Company had inter-alia disputed the quantum of compensation before the Hon'ble High Court of Judicature, Delhi. As per the directions of the said High Court, the Company had filed its claim for an additional compensation of ₹ 53.03 Crores before the Coal Tribunal at Singrauli, duly appointed under Coal Bearing Areas (Acquisition and Development) Act, 1957.

The Coal Tribunal however, has declined to entertain claim of the Company being of the view that the same has to be heard by the Nominated Authority. Aggrieved by the decision of the Coal Tribunal, the Company has filed an appeal before the High Court of Madhya Pradesh to restore the claim before the Coal Tribunal.

Pending final disposal of the matter, the Company has not recognized excess of compensation claimed over the book value as income as well as loss that may have to be incurred in the event compensation is denied. Accordingly, the balance amount appears under the head Other Financial Assets (note no. 2.05) and Freehold Land (note no. 2.01) ₹ 13.93 Crores and ₹ 1.31 Crores respectively. The Freehold Land continues to be in possession of the Company as it was not part of the vesting order. Based on the legal opinion, the Company has more than reasonable chances of succeeding in the matter.

4.15 Insurance claim of the year 2012 relating to collapse of blending silo and consequential damages was rejected by New India Assurance Co. Ltd. The Company had recognized a sum of ₹ 58.94 Crores as receivable. Against the rejection of the claim, the Company has filed a money suit against New India Assurance Company Limited for recovery of ₹ 150.27 Crores. The same is pending before the District Judge and Special Commercial Court at Rewa. The Company is pursuing arbitration proceedings with the party responsible for construction of blending silo for recovery of damages. Based on legal opinion and judicial precedents, the Company has more than reasonable chance of succeeding in the matter.

4.16 (a) In the course of normal business operation, the Company has settled certain receivables by acquiring residential and commercial properties. The process of disposing these properties is in progress. Impairment loss recognised in Statement of profit and loss under the head Other expenses to write down the value of such properties to its fair value is Nil (Previous year ₹ 1.10 Crores). The reportable segment, in which the Non-Current Asset held for sale is presented, is RMC in accordance with Ind AS 108.

(b) In the year 2018-19, the Company has decided to discontinue its operations at its Cement packing unit and dispose off certain assets located there such as buildings, land, plant & machinery, etc. During the year, the Company has disposed of all assets other than land and building thereon. The Company is in the process of discussion with potential buyers and expects the same to be disposed off in near future. The reportable segment, in which the Non-Current Asset held for sale is presented, is Cement in accordance with Ind AS 108

4.17 The Board of Directors has approved the Composite Scheme of Arrangement and Amalgamation as under

a. Demerger of retail trading business undertakings of TBK Rangoli Tile Bath Kitchen Private Limited, TBK Venkataramiah Tile Bath Kitchen Private Limited and TBK Samiyaz Tile Bath Kitchen Private Limited, into its holding company H & R Johnson (India) TBK Limited ("HRJ TBK") and subsequent demerger of retail trading business undertaking of HRJ TBK into the Company

b. Subsequent amalgamation of Milano Bathroom Fittings Private Limited and Silica Ceramica Private Limited, with the Company

The application is pending before the NCLT, Hyderabad. The appointed date for the said scheme is April 1, 2018 and the accounting effect in the financial statements will be given once the Scheme is approved

4.18 As per the directives of both the Central and State Governments in the wake of COVID-19 pandemic, the Group had suspended operations across various locations, which has adversely impacted the business. The Group has considered the possible effects that may result due to the lockdown announced consequent to outbreak of COVID-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. Based on internal and external sources of information and economic forecasts, the Group expects the carrying amount of these assets will be recovered and sufficient liquidity would be available as and when required to fund the business operations. A definitive assessment of the impact, at this stage, is not possible in view of the highly uncertain economic environment and the situation is still evolving. The Group is continuously monitoring material changes in such information and economic forecasts. The Group has started operating its manufacturing facilities and operations in a phased manner from the last week of April 2020.

4.19 The Government of India has issued the Taxation Laws (Amendment) Act, 2019, which provides domestic companies an option to pay corporate tax at reduced rates effective April 1, 2019 subject to certain conditions. The Holding Company intends to opt for lower tax regime and accordingly the impact has been considered in computing provision for tax and deferred tax.

4.20 Additional Information required by Schedule III

March 31, 2020 :

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	% of consolidated net assets	Amount	% of consolidated profit or loss	Amount	% of consolidated Other Comprehensive Income	Amount	% of consolidated Total Comprehensive Income	Amount
Parent	53.64%	694.15	-249.20%	51.47	142.58%	(14.37)	-120.72%	37.10
Subsidiaries (Group's share)								
Indian								
Milano Bathroom Fittings Private Limited	2.81%	36.40	-20.72%	4.28	0.40%	(0.04)	-13.80%	4.24
Silica Ceramica Private Limited	2.23%	28.85	168.39%	(34.78)	0.50%	(0.05)	113.34%	(34.83)
H. & R. Johnson (India) TBK Limited *	0.51%	6.60	7.89%	(1.63)	-0.20%	0.02	5.24%	(1.61)
RMC Readymix Porselano (India) Limited	-	0.04	-	-	-	-	-	-
Antique Marbonite Private Limited *	6.03%	78.04	-43.04%	8.89	-1.29%	0.13	-29.35%	9.02
Small Johnson Floor Tiles Private Limited *	1.39%	17.93	1.65%	(0.34)	0.79%	(0.08)	1.37%	(0.42)
Spectrum Johnson Tiles Private Limited	1.31%	16.92	13.07%	(2.70)	-0.89%	0.09	8.49%	(2.61)
Sentini Cermica Private Limited	2.46%	31.79	-6.63%	1.37	0.10%	(0.01)	-4.43%	1.36
Coral Gold Tiles Private Limited	0.68%	8.86	-1.31%	0.27	0.40%	(0.04)	-0.75%	0.23
Raheja QBE General Insurance Company Limited	6.09%	78.73	154.08%	(31.82)	-21.46%	2.16	96.52%	(29.66)
Non-controlling interests in all subsidiaries								
Indian	18.93%	244.86	107.97%	(22.30)	-21.53%	2.17	65.50%	(20.13)
Joint ventures (Investment as per equity method)								
Ardex Endura (India) Private Limited *	3.92%	50.66	-32.15%	6.64	0.60%	(0.06)	-21.41%	6.58
Total	100%	1,293.83	100%	(20.65)	100%	(10.08)	100%	(30.73)

March 31, 2019 :

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	% of consolidated net assets	Amount	% of consolidated profit or loss	Amount	% of consolidated Other Comprehensive Income	Amount	% of consolidated Total Comprehensive Income	Amount
Parent	53.93%	750.72	133.06%	145.84	84.63%	0.66	132.72%	146.50
Subsidiaries (Group's share)								
Indian								
Milano Bathroom Fittings Private Limited	2.31%	32.17	5.74%	6.29	0.00%	-	5.70%	6.29
Silica Ceramica Private Limited	2.08%	29.00	-28.19%	(30.89)	-1.28%	(0.01)	-27.99%	(30.90)
H. & R. Johnson (India) TBK Limited *	0.59%	8.21	-6.09%	(6.68)	-3.85%	(0.03)	-6.08%	(6.71)
RMC Readymix Porselano (India) Limited	-	0.04	-0.01%	(0.01)	-	-	-	(0.01)
Antique Marbonite Private Limited *	4.96%	69.02	4.34%	4.76	5.13%	0.04	4.35%	4.80
Small Johnson Floor Tiles Private Limited *	1.29%	17.89	-0.36%	(0.40)	-7.69%	(0.06)	-0.42%	(0.46)
Spectrum Johnson Tiles Private Limited	1.40%	19.53	-3.02%	(3.31)	-3.85%	(0.03)	-3.03%	(3.34)
Sentini Cermica Private Limited	2.76%	38.43	2.65%	2.90	1.28%	0.01	2.64%	2.91
Coral Gold Tiles Private Limited	0.62%	8.63	0.95%	1.04	2.56%	0.02	0.96%	1.06
Raheja QBE General Insurance Company Limited	7.79%	108.40	-9.15%	(10.03)	11.54%	0.09	-9.01%	(9.94)
Non-controllinginterests in all subsidiaries								
Indian	19.10%	265.94	-6.20%	(6.80)	8.97%	0.07	-6.10%	(6.73)
Joint ventures (Investment as per equity method)								
Ardex Endura (India) Private Limited *	3.17%	44.07	6.28%	6.89	2.56%	0.02	6.26%	6.91
Total	**100%**	**1,392.05**	**100%**	**109.60**	**100%**	**0.78**	**100%**	**110.38**

* Based on consolidated financial statement of the respective entities

4.21 Figures for the previous year have been regrouped / reclassified / reinstated, wherever considered necessary.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569

Place : Mumbai
Date : May 28, 2020

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)

Ameeta A. Parpia
(Director)

Vijay Aggarwal
(Managing Director)

Vivek K. Agnihotri
(Executive Director & CEO- Cement)

Sarat Chandak
(Executive Director & CEO- HRJ)

Atul R. Desai
(Executive Director & CEO- RMC)

Manish Bhatia
(Chief Financial Officer)

Aneeta S. Kulkarni
(Company Secretary)

PRISM JOHNSON LIMITED

UNAUDITED STANDALONE ACCOUNTS
FOR THE PERIOD ENDED JUNE 30, 2020
(April, 2020 to June, 2020)

Prism Johnson Limited

Unaudited Standalone Balance Sheet as at June 30, 2020

All amounts are in ₹ Crores unless otherwise stated

Particulars	Note No.	As at June 30, 2020	As at March 31, 2020
ASSETS			
Non-current Assets			
Property, plant and equipment	2.01	1,993.51	2,030.19
Right of Use assets		189.12	176.52
Capital work-in-progress		290.75	256.65
Intangible assets	2.02	23.56	24.53
Financial assets			
Investments	2.03	469.57	469.52
Loans	2.04	57.23	57.61
Other financial assets	2.05	78.29	73.76
Other non-current assets	2.06	158.42	162.17
Total Non-current Assets		**3,260.45**	**3,250.95**
Current Assets			
Inventories	2.07	468.67	518.49
Financial assets			
Trade receivables	2.08	450.37	678.27
Cash and cash equivalents	2.09	211.49	118.62
Bank balances other than Cash and cash equivalents	2.10	297.49	257.97
Loans	2.04	3.86	4.51
Other financial assets	2.05	3.57	7.05
Current tax assets (net)	2.11	43.50	45.89
Other current assets	2.06	119.21	109.49
Non-current assets classified as held for sale		1.09	1.65
Total Current Assets		**1,599.25**	**1,741.94**
TOTAL ASSETS		**4,859.70**	**4,992.89**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.12	503.36	503.36
Other equity	2.13	568.40	620.16
Total Equity		**1,071.76**	**1,123.52**
Liabilities			
Non-current Liabilities			
Financial liabilities			
Borrowings	2.14	1,142.08	1,287.49
Lease Liability		163.21	136.18
Other financial liabilities	2.16	275.90	310.82
Provisions	2.17	30.91	23.91
Deferred tax Liabilities (net)		51.06	50.81
Other non-current liabilities	2.18	28.13	28.30
Total Non-current Liabilities		**1,691.29**	**1,837.51**

Prism Johnson Limited
Unaudited Standalone Balance Sheet as at June 30, 2020
All amounts are in ₹ Crores unless otherwise stated

Particulars	Note No.	As at June 30, 2020	As at March 31, 2020
Current Liabilities			
Financial liabilities			
Borrowings	2.14	137.72	145.31
Lease Liability		20.19	33.94
Trade payables			
Total outstanding dues of Micro Enterprises & Small Enterprises	2.15	1.58	13.70
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	2.15	736.55	721.37
Other financial liabilities	2.16	946.56	859.40
Current tax liabilities (net)	2.19	-	3.22
Provisions	2.17	44.10	42.97
Other current liabilities	2.18	209.95	211.95
Total Current Liabilities		**2,096.65**	**2,031.86**
TOTAL EQUITY AND LIABILITIES		**4,859.70**	**4,992.89**

The accompanying notes are an integral part of the financial statements.

For and on behalf of the Board

Place : Mumbai
Date : August 13, 2020

Vijay Aggarwal
(Managing Director)

Vivek K. Agnihotri
(Executive Director & CEO - Cement)

Prism Johnson Limited

Unaudited Standalone Statement of Profit and Loss for the period ended June 30, 2020

All amounts are in ₹ Crores unless otherwise stated

Particulars	Note No.	Period ended June 30, 2020	Period ended June 30, 2019
INCOME			
Revenue From Operations	3.01	764.54	1,507.66
Other Income	3.02	9.19	9.66
Total Income		**773.73**	**1,517.32**
EXPENSES			
Cost of materials consumed		102.52	360.19
Purchase of stock-in-trade		86.02	247.98
Changes in inventories	3.03	88.78	(27.05)
Power and fuel expenses		112.32	239.51
Freight outward expenses		121.45	206.13
Other manufacturing expenses	3.04	38.30	85.36
Employee benefits expense	3.05	104.51	118.18
Finance costs	3.06	47.80	46.70
Depreciation, Amortization and Impairment expense	3.07	54.16	45.86
Other expenses	3.08	70.37	92.30
Total Expenses		**826.23**	**1,415.16**
Profit before exceptional items and tax		(52.50)	102.16
Exceptional items		-	-
Profit before tax		**(52.50)**	**102.16**
Tax expenses			
Current tax	3.09	-	23.45
Deferred tax	3.09	-	13.15
Total tax expenses		-	**36.60**
Profit for the year		**(52.50)**	**65.56**
Other Comprehensive Income / (Loss)			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		0.99	0.21
Income Tax relating to items that will not be reclassified to profit or loss	3.09	(0.25)	(0.07)
Total Other Comprehensive Income / (Loss)		0.74	0.14
Total Comprehensive Income for the year		**(51.76)**	**65.70**

Particulars	Note No.	Period ended June 30,	
		2020	2019
Earnings per share (Face value of ₹ 10/- each):			
Basic (in ₹)		-1.04	1.30
Diluted (in ₹)		-1.04	1.30

The accompanying notes are an integral part of the financial statements.

For and on behalf of the Board

Place : Mumbai

Date : August 13, 2020

Vijay Aggarwal
(Managing Director)

Vivek K. Agnihotri
(Executive Director & CEO - Cement)

Prism Johnson Limited

Unaudited Standalone Statement of Changes in Equity for the period ended June 30, 2020

All amounts are in ₹ Crores unless otherwise stated

A. EQUITY SHARE CAPITAL	Note No.	Amount
Balance as at April 1, 2019	2.12	503.36
Changes in equity share capital during the year		-
Balance as at March 31, 2020	2.12	503.36
Changes in equity share capital during the period		-
Balance as at June 30, 2020	2.12	**503.36**

B. OTHER EQUITY	Reserves and Surplus (refer note 2.13)				
	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	Total
Balance as at April 1, 2019	**10.75**	**96.25**	**155.67**	**376.08**	**638.75**
Profit for the year	-	-	-	56.45	56.45
Other Comprehensive Income / (loss)	-	-	-	(14.36)	(14.36)
Total Comprehensive Income for the year	**10.75**	**96.25**	**155.67**	**418.17**	**680.84**
Transferred to Retained Earnings	-	(96.25)	-	-	(96.25)
Dividend and Dividend Distribution Tax	-	-	-	(60.68)	(60.68)
Transferred from Debenture Redemption Reserve	-	-	-	96.25	96.25
Balance as at March 31, 2020	**10.75**	-	**155.67**	**453.74**	**620.16**
Balance as at April 1, 2020	**10.75**	-	**155.67**	**453.74**	**620.16**
Profit / (Loss) for the period	-	-	-	(52.50)	(52.50)
Other Comprehensive Income / (loss)	-	-	-	0.74	0.74
Balance as at June 30, 2020	**10.75**	-	**155.67**	**401.98**	**568.40**

The accompanying notes are an integral part of the financial statements.

For and on behalf of the Board

Place : Mumbai

Date : August 13, 2020

Vijay Aggarwal
(Managing Director)

Vivek K. Agnihotri
(Executive Director & CEO- Cement)

Prism Johnson Limited

Unaudited Standalone Cash Flow Statement for the period ended June 30, 2020

All amounts are in ₹ Crores unless otherwise stated

Particulars	Period ended June 30,	
	2020	2019
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	(52.50)	102.16
Non-cash Adjustment to Profit before tax:		
Depreciation, amortisation and impairment expense	54.16	45.86
Impairment on trade receivables	19.21	6.64
Impairment/write-off of non current assets	1.39	0.17
Amortisation of processing fees	0.87	2.24
Bad debts written off	2.11	0.76
Unwinding of interests and discounts	(0.83)	(0.54)
(Gain)/Loss on disposal of Property, plant and equipment	(0.28)	0.02
Gain on sale of investments	-	(5.31)
Dividend and interest income	(6.36)	(1.95)
Finance costs	46.93	44.46
Balances written back	0.02	-
Exchange differences (net)	(0.55)	(1.05)
Impairment/write-off of Inventories	3.78	-
Other non-cash Items	(0.26)	0.04
Operating profit before change in operating assets and liabilities	**67.69**	**193.50**
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	206.62	(26.71)
Decrease/(increase) in inventories	47.54	(116.70)
Increase/(decrease) in trade payables	3.06	(19.77)
Decrease/(increase) in other financial assets	(0.82)	0.25
Decrease/(increase) in loans	2.52	1.24
Decrease/(increase) in other non-current and current assets	(52.56)	(50.03)
Increase/(decrease) in provisions	8.14	8.11
Increase/(decrease) in other current and non-current financial liabilities	99.15	80.86
Increase/(decrease) in other current and non-current liabilities	(2.88)	(45.74)
Cash generated from operations	378.46	25.01
Direct taxes paid (net of refunds)	0.83	20.83
Net cash flow from operating activities (A)	**377.63**	**4.18**
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for acquisition of Property, plant and equipment	(56.23)	(53.51)
Proceeds from sale of investments	-	1.53
Proceeds from disposal of Property, plant and equipment	1.26	0.02
Interest received	6.13	2.23
Net cash flow used in investing activities (B)	**(48.83)**	**(49.73)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	206.39	133.25
Repayment of long term borrowings	(341.47)	(76.20)
Repayment of Lease Liability	7.09	(7.52)
Movement in short term borrowings (net)	(7.59)	33.35
Interest paid	(100.88)	(31.30)
Commission received	0.53	0.15
Net cash flow from/(used in) financing activities (C)	**(235.93)**	**51.73**
Net increase in cash and cash equivalents (A+B+C)	92.87	6.18
Cash and cash equivalents at the beginning of the period	118.62	52.54
Cash and cash equivalents at the end of the period	**211.49**	**58.72**

Particulars	Period ended June 30,	
	2020	2019
Cash and cash equivalents comprise of :		
Balances with bank	209.55	55.96
Cheques/drafts on hand	1.09	1.77
Cash on hand	0.85	0.99
Total	211.49	58.72

Notes:

1. The Cash Flow Statement has been prepared using the Indirect Method set out in Ind AS 7- Statement of Cash Flows.
2. Payments for acquisition of Property, plant and equipment include movement in capital work-in-progress.

For and on behalf of the Board

Place : Mumbai
Date : August 13, 2020

Vijay Aggarwal
(Managing Director)

Vivek K. Agnihotri
(Executive Director & CEO-Cement)

Prism Johnson Limited
Notes to Unaudited Standalone Financial Statements for the period ended June 30, 2020
All amounts are in ₹ Crores unless otherwise stated

2.01 Property, Plant and Equipment :

Particulars	Gross Carrying Amount				Depreciation/Impairment				Net Carrying Amount	
	As at April 1, 2020	Addition/ Adjustments	Disposal/Adjustments	As at June 30, 2020	As at April 1, 2020	For the Period	Elimination on disposal/Adjustments	As at June 30, 2020	As at June 30, 2020	As at March 31, 2020
<u>Own Assets:</u>										
Land - Freehold	668.43	0.83	-	669.26	29.26	2.08	-	31.34	637.92	639.17
Buildings	200.32	0.65	-	200.97	52.01	2.74	-	54.75	146.22	148.31
Plant and Machinery	1,551.44	0.48	-	1,551.92	457.53	28.48	-	486.01	1,065.91	1,093.91
Railway siding	4.46	-	-	4.46	1.05	0.07	-	1.12	3.34	3.41
Office Equipment	15.62	0.04	0.03	15.63	8.13	0.49	0.03	8.59	7.04	7.49
Computers	16.81	0.05	0.08	16.78	10.72	0.62	0.07	11.28	5.50	6.09
Mines Development	226.79	4.60	-	231.39	140.31	6.99	-	147.30	84.09	86.48
Furniture & Fixtures	43.97	-	-	43.97	16.88	1.10	0.00	17.98	25.99	27.09
Vehicles	17.02	-	0.32	16.70	9.00	0.53	0.30	9.23	7.47	8.02
Truck Mixers, Loaders and Dumpers	10.67	-	-	10.67	7.84	0.14	-	7.98	2.69	2.83
Total A	**2,755.53**	**6.65**	**0.43**	**2,761.75**	**732.73**	**43.24**	**0.39**	**775.58**	**1,986.17**	**2,022.80**
<u>Leased Assets</u>										
Leasehold Land (Long term) B	7.48	-	-	7.48	0.09	0.05	-	0.14	7.34	7.39
Total A+B	**2,763.01**	**6.65**	**0.43**	**2,769.23**	**732.82**	**43.29**	**0.39**	**775.72**	**1,993.51**	**2,030.19**

Prism Johnson Limited

Notes to Unaudited Standalone Financial Statements for the period ended June 30, 2020

All amounts are in ₹ Crores unless otherwise stated

Particulars	Gross Carrying Amount				Depreciation/Impairment				Net Carrying Amount	
	As at April 1, 2019	Addition/ Adjustments	Disposal	As at March 31, 2020	As at April 1, 2019	For the Year	Elimination on disposal	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Own Assets:										
Land - Freehold	614.23	54.21	0.01	668.43	20.96	8.30	-	29.26	639.17	593.27
Buildings	190.19	14.48	4.35	200.32	40.86	13.26	2.11	52.01	148.31	149.33
Plant and Machinery	1,477.85	99.17	25.58	1,551.44	378.61	101.32	22.40	457.53	1,093.91	1,099.24
Railway siding	4.46	-	-	4.46	0.76	0.29	-	1.05	3.41	3.70
Office Equipment	13.22	2.26	(0.14)	15.62	5.86	2.11	(0.16)	8.13	7.49	7.36
Computers	14.98	2.73	0.90	16.81	8.86	2.65	0.79	10.72	6.09	6.12
Mines Development	189.79	37.00	-	226.79	113.30	27.01	-	140.31	86.48	76.49
Furniture & Fixtures	39.85	7.05	2.93	43.97	15.01	4.73	2.86	16.88	27.09	24.84
Vehicles	17.83	1.78	2.59	17.02	8.42	2.49	1.91	9.00	8.02	9.41
Truck Mixers, Loaders and Dumpers	11.55	2.15	3.03	10.67	10.17	0.70	3.03	7.84	2.83	1.38
Total A	**2,573.95**	**220.83**	**39.25**	**2,755.53**	**602.81**	**162.86**	**32.94**	**732.73**	**2,022.80**	**1,971.14**
Leased Assets										
Leasehold Land (Long term) **B**	-	8.85	1.37	7.48	-	0.23	0.14	0.09	7.39	-
Assets taken on Finance Lease: (Under Ind AS 17)										
Land	10.05	-	10.05	-	1.20	-	1.20	-	-	8.85
Plant and Machinery	45.58	-	45.58	-	9.91	-	9.91	-	-	35.67
Vehicles	0.53	-	0.53	-	0.12	-	0.12	-	-	0.41
Total C	**56.16**	-	**56.16**	-	**11.23**	-	**11.23**	-	-	**44.93**
Total A+B-C	**2,630.11**	**229.68**	**96.78**	**2,763.01**	**614.04**	**163.09**	**44.31**	**732.82**	**2,030.19**	**2,016.07**

Notes :

a) Depreciation for the period includes ₹ 0.57 Crores (FY 2019-20 : ₹ 2.86 Crores) considered for capitalisation.

b) Amortisation in case of Freehold Land represent amortisation of mining reserve on extraction basis.

c) Additions to Plant & Machinery during the period includes Nil (FY 2019-20 : ₹ 0.89 Crores) on account of Research assets.

d) During the period, depreciation on Right of Use assets is ₹ 10.31 Crores (FY 2019-20 : ₹ 36.25 Crores) which is not forming part of the above schedule.

e) Other adjustments include reclassification of assets taken on Finance Lease in terms of Ind AS 17 to Right of Use assets on account of adoption of Ind AS 116.

f) Addition to Freehold Land is net- off liabilities no longer required to be paid.

Prism Johnson Limited
Notes to Unaudited Standalone Financial Statements for the period ended June 30, 2020
All amounts are in ₹ Crores unless otherwise stated

2.02 Intangible Assets :

Particulars	Gross Carrying Amount				Amortisation				Net Carrying Amount	
	As at April 1, 2020	Addition	Disposal	As at June 30, 2020	As at April 1, 2020	For the period	Elimination on disposal	As at June 30, 2020	As at June 30, 2020	As at March 31, 2020
Software	26.50	0.16	-	26.66	12.29	0.92	-	13.21	13.45	14.21
Intellectual Property Rights	1.77	-	-	1.77	1.77	-	-	1.77	-	-
Mining Lease Rights	11.22	-	-	11.22	2.14	0.13	-	2.27	8.95	9.08
Minerals Procurement Rights	2.28	-	-	2.28	2.26	-	-	2.26	0.02	0.02
Technical Know-how	1.77	-	-	1.77	0.55	0.08	-	0.63	1.14	1.22
Total	**43.54**	**0.16**	**-**	**43.70**	**19.01**	**1.13**	**-**	**20.14**	**23.56**	**24.53**

Particulars	Gross Carrying Amount				Amortisation				Net Carrying Amount	
	As at April 1, 2019	Addition	Disposal	As at March 31, 2020	As at April 1, 2019	For the Year	Elimination on disposal	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Software	20.43	6.46	0.39	26.50	9.55	3.13	0.39	12.29	14.21	10.88
Intellectual Property Rights	1.77	-	-	1.77	1.77	-	-	1.77	-	-
Mining Lease Rights	8.25	2.97	-	11.22	1.68	0.46	-	2.14	9.08	6.57
Minerals Procurement Rights	2.28	-	-	2.28	2.26	-	-	2.26	0.02	0.02
Technical Know-how	1.27	0.50	-	1.77	0.27	0.28	-	0.55	1.22	1.00
Total	**34.00**	**9.93**	**0.39**	**43.54**	**15.53**	**3.87**	**0.39**	**19.01**	**24.53**	**18.47**

All amounts are in ₹ Crores unless otherwise stated

2.03 Investments

Particulars	Face Value ₹	As at June 30, 2020		As at March 31, 2020	
		Qty	Amount	Qty	Amount
Investments in Equity Instruments (fully paid up) - Unquoted					
Investment in Subsidiaries - measured at cost					
-Raheja QBE General Insurance Company Limited	10	1055,70,000	105.57	1055,70,000	105.57
- Silica Ceramica Private Limited	10	1216,08,283	248.47	1216,08,283	248.47
- H. & R. Johnson (India) TBK Limited	100	1,61,020	29.71	1,61,020	29.71
- Antique Marbonite Private Limited	10	30,09,000	15.08	30,09,000	15.08
- Small Johnson Floor Tiles Private Limited	10	20,00,000	13.30	20,00,000	13.30
- Sentini Cermica Private Limited	10	17,10,000	8.55	17,10,000	8.55
- Milano Bathroom Fittings Private Limited	100	72,446	9.09	72,446	9.09
- Spectrum Johnson Tiles Private Limited	10	21,65,388	8.03	21,65,388	8.03
- Coral Gold Tiles Private Limited	10	26,00,000	5.46	26,00,000	5.46
- Sanskar Ceramics Private Limited	10	15,00,000	5.25	15,00,000	5.25
- RMC Readymix Porselano (India) Limited	10	50,000	0.05	50,000	0.05
Investment in Joint Venture - measured at cost					
- Ardex Endura (India) Private Limited	10	65,00,000	6.50	65,00,000	6.50
Investment in Associates - measured at cost					
- Prism Power and Infrastructure Private Limited	10	4,900	-	4,900	-
- CSE Solar Parks Satna Private Limited	10	55,00,000	5.50	55,00,000	5.50
- Sunspring Solar Private Limited	10	14,78,412	1.48	14,78,412	1.48
Other Investments designated at FVTOCI					
- B L A Power Private Limited	10	175,00,000	5.18	175,00,000	5.18
(A)			467.22		467.22

All amounts are in ₹ Crores unless otherwise stated

Particulars	Face Value ₹	As at June 30, 2020 Qty	As at June 30, 2020 Amount	As at March 31, 2020 Qty	As at March 31, 2020 Amount
Investments in Preference shares (fully paid up) - Unquoted					
Investment in Subsidiaries- measured at amortised cost					
- Milano Bathroom Fittings Private Limited (1% Non-cumulative and Redeemable Preference Shares)	100	2,00,000	0.87	2,00,000	0.85
- Small Johnson Floor Tiles Private Limited (0.01% Non-cumulative Optionally Convertible Preference Shares)	10	40,00,000	1.48	40,00,000	1.45
(B)			2.35		2.30
Total non-current investments (A + B)			469.57		469.52

2.04 Loans

Particulars		Non Current As at June 30, 2020	Non Current As at March 31, 2020	Current As at June 30, 2020	Current As at March 31, 2020
Security Deposits-Utility					
Unsecured, considered good		36.76	36.79	1.61	1.61
	(a)	**36.76**	**36.79**	**1.61**	**1.61**
Security Deposits-Rental					
Unsecured, considered good		15.36	15.61	-	-
Unsecured, credit impaired		0.51	0.74	-	-
		15.87	16.35	-	-
Less : Provision for Impairment		0.51	0.74	-	-
	(b)	**15.36**	**15.61**	-	-
Loans to related parties					
Loan to a subsidiary company					
Unsecured, considered good		4.00	4.00	-	-
	(c)	**4.00**	**4.00**	-	-
Loans to employees					
Unsecured, considered good		1.11	1.21	2.25	2.90
	(d)	**1.11**	**1.21**	**2.25**	**2.90**
Total	(a + b + c + d)	57.23	57.61	3.86	4.51

All amounts are in ₹ Crores unless otherwise stated

2.05 Other financial assets

Particulars	Non Current As at June 30, 2020	Non Current As at March 31, 2020	Current As at June 30, 2020	Current As at March 31, 2020
Insurance claim receivable	58.94	58.94	2.22	2.56
Bank deposits with more than twelve months maturity (restricted use)	5.37	0.84	0.22	2.54
Accrued Interest	-	-	1.11	0.89
Balances in Escrow accounts with banks (restricted use)	0.05	0.05	-	-
Balances related to Coal Mine and Infrastructure	13.93	13.93	-	-
Other receivables	-	-	0.02	1.06
Total	**78.29**	**73.76**	**3.57**	**7.05**

2.06 Other assets

Particulars	Non Current As at June 30, 2020	Non Current As at March 31, 2020	Current As at June 30, 2020	Current As at March 31, 2020
Capital Advances				
Unsecured, considered good	45.98	53.57	18.24	-
Doubtful	0.35	0.34	-	-
	46.33	53.91	18.24	-
Less : Provision for Impairment	0.26	0.17	-	-
	46.07	**53.74**	**18.24**	-
Advances other than Capital Advances				
Balances with government authorities:				
CENVAT/ VAT/GST receivables	-	-	24.35	30.55
Balances with statutory authorities	-	-	0.34	0.55
Excise/ VAT/ Service Tax/ Custom duty deposited under protest	35.40	31.07	0.27	0.19
Security Deposits	4.69	4.69	0.91	0.91
Advances to other parties (net of provision for impairment)	15.82	15.46	44.37	27.97
Prepaid expenses	1.97	2.73	14.54	17.05
Royalty refund receivable	-	-	14.00	17.12
Others	54.47	54.48	2.19	15.15
Total	**158.42**	**162.17**	**119.21**	**109.49**

Prism Johnson Limited

Notes to Unaudited Standalone Financial Statements for the period ended June 30, 2020

All amounts are in ₹ Crores unless otherwise stated

2.07 Inventories

Particulars	As at June 30, 2020	As at March 31, 2020
Raw materials	120.77	122.09
Goods-in-transit	0.40	0.37
Stores and spares	61.43	61.08
Goods-in-transit	0.01	0.17
Fuel Stock	50.40	53.61
Goods-in-transit	48.82	5.55
Work-in-progress	27.43	69.19
Finished goods	104.30	142.18
Goods-in-transit	17.11	12.54
Stock-in-trade	37.87	51.69
Goods-in-transit	0.13	0.02
Total	**468.67**	**518.49**

2.08 Trade receivables

Particulars	As at June 30, 2020	As at March 31, 2020
Secured, considered good	69.50	81.60
Unsecured, considered good	380.87	596.67
Unsecured, credit impaired	159.90	140.77
	610.27	819.04
Less: Provision for impairment	159.90	140.77
Total	**450.37**	**678.27**

All amounts are in ₹ Crores unless otherwise stated

2.09 Cash and Cash equivalents

Particulars	As at June 30, 2020	As at March 31, 2020
Balances with banks:		
In current accounts	26.40	5.10
Deposits with original maturity of less than three months	183.15	112.52
Cheques / drafts on hand	1.09	0.09
Cash on hand	0.85	0.91
Total	**211.49**	**118.62**

2.10 Bank balances other than Cash and cash equivalents

Particulars	As at June 30, 2020	As at March 31, 2020
Unclaimed Dividend	0.65	0.65
Term Deposits (original maturity for more than three months but less than twelve months)	293.10	256.68
Term Deposits (original maturity for more than three months but less than twelve months -restricted use)	3.74	0.64
Total	**297.49**	**257.97**

2.11 Current Tax Assets (net)

Particulars	As at June 30, 2020	As at March 31, 2020
Current Tax Assets		
Taxes paid (net of provision)	43.50	45.89
Total	**43.50**	**45.89**

All amounts are in ₹ Crores unless otherwise stated

2.12 Equity Share Capital

Particulars	As at June 30, 2020	As at March 31, 2020
Authorised Share Capital :		
52,50,00,000 (Previous year : 52,50,00,000) Equity shares of ₹10/- each	525.00	525.00
Total	525.00	525.00
Issued, Subscribed and Paid up :		
50,33,56,580 (Previous year : 50,33,56,580) Equity shares of ₹10/- each	503.36	503.36
Total	503.36	503.36

2.13 Other Equity

Particulars	As at June 30, 2020	As at March 31, 2020
General reserve	155.67	155.67
Retained earnings	401.98	453.74
Capital redemption reserve	10.75	10.75
Total	**568.40**	**620.16**

2.14 Borrowings

Particulars	Non Current	
	As at June 30, 2020	As at March 31, 2020
Secured		
Bonds / Debentures		
- 10.40% Non-convertible Debentures {800 Nos. (Previous year : 800 Nos.) debentures of ₹ 0.10 Crore each}	80.00	80.00
- 10.40% Non-convertible Debentures {1200 Nos. (Previous year : 1200 Nos.) debentures of ₹ 0.10 Crore each}	120.00	120.00
- 10.70% Non-Convertible Debentures {Nil (Previous year : 1000 Nos.) debentures of ₹ 0.10 Crore each}	-	100.00
- 9.25% Non-convertible Debentures {Nil (Previous year : 1781 Nos.) debentures of ₹ 0.10 Crore each}	-	178.10
Term loans		
from others	200.00	-
from banks	789.44	811.11
Vehicle loans		
from banks	2.50	2.83

Particulars	Non Current	
	As at June 30, 2020	As at March 31, 2020
Unsecured		
- 10.70% Non-Convertible Debentures {1150 Nos. (Previous year : 1150 Nos.) debentures of ₹ 0.10 Crore each}	115.00	115.00
- 10.00% Non-Convertible Debentures {840 Nos. (Previous year : 840 Nos.) debentures of ₹ 0.10 Crore each}	84.00	84.00
- 10.40% Non-Convertible Debentures {500 Nos. (Previous year : 500 Nos.) debentures of ₹ 0.10 Crore each}	50.00	50.00
- 10.65% Non-Convertible Debentures {Nil (Previous year : 750 Nos.) debentures of ₹ 0.10 Crore each}	-	75.00
- 10.25% Non-Convertible Debentures {500 Nos. (Previous year : Nil) debentures of ₹ 0.10 Crore each}	50.00	-
Term loans from banks	79.84	89.82
Fixed deposits from public	0.57	0.57
	1,571.35	1,706.43

Less: Disclosed under other Financial Liabilities		
Current maturities of Non-current borrowings	428.70	418.37
Unclaimed fixed deposits	0.57	0.57
Total	**1,142.08**	**1,287.49**

Particulars	Current	
	As at June 30, 2020	As at March 31, 2020
Secured		
Loans repayable to banks		
On Demand	11.10	19.36
Buyer's Credit	3.17	25.95
Bank Overdraft	0.04	-
Unsecured		
Bill Discounting	23.41	-
Commercial Papers	100.00	100.00
(Maximum balance outstanding during the year ₹ 100 Crores (Previous year : ₹ 100 Crores))		
Total	**137.72**	**145.31**

All amounts are in ₹ Crores unless otherwise stated

2.15 Trade payables

Particulars	As at June 30, 2020	As at March 31, 2020
Total outstanding dues of Micro Enterprises & Small Enterprises	1.58	13.70
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	736.55	721.37
Total	738.13	735.07

2.16 Other financial liabilities

Particulars	Non Current		Current	
	As at June 30, 2020	As at March 31, 2020	As at June 30, 2020	As at March 31, 2020
Current maturities of non-current borrowings	-	-	428.70	418.37
Payables for acquisition of Property, plant and equipment	-	-	29.65	31.93
Interest accrued	-	37.53	79.39	96.85
Unclaimed dividends	-	-	0.65	0.65
Unpaid matured deposits and interest accrued thereon	-	-	0.77	0.78
Security deposits from customers / others	267.38	264.46	20.86	18.52
Payable to employees	-	-	8.72	7.53
Financial lease obligations	2.03	2.03	-	-
Finance guarantee obligations	0.01	0.01	-	-
Liability for expenses	6.48	6.79	376.28	283.42
Others	-	-	1.54	1.35
Total	275.90	310.82	946.56	859.40

Prism Johnson Limited

Notes to Unaudited Standalone Financial Statements for the period ended June 30, 2020

All amounts are in ₹ Crores unless otherwise stated

2.17 Provisions

Particulars		Non Current		Current	
		As at June 30, 2020	As at March 31, 2020	As at June 30, 2020	As at March 31, 2020
Employee benefits :					
Provision for Gratuity		0.35	0.35	-	-
Provision for Bonus		-	-	16.33	13.56
Provision for Leave Encashment		24.20	17.43	10.33	15.35
Others		-	-	17.44	14.06
	(a)	24.55	17.78	44.10	42.97
Others :					
Provision for claims under litigations		0.07	0.07	-	-
Others		6.29	6.06	-	-
	(b)	6.36	6.13	-	-
Total	(a+b)	**30.91**	**23.91**	**44.10**	**42.97**

2.18 Other liabilities

Particulars	Non Current		Current	
	As at June 30, 2020	As at March 31, 2020	As at June 30, 2020	As at March 31, 2020
Advance from customers	0.22	0.19	69.39	73.84
Statutory liabilities	26.19	26.19	78.13	59.11
Other employee benefit expenses	-	-	21.63	20.07
Others	1.72	1.92	40.80	58.93
Total	**28.13**	**28.30**	**209.95**	**211.95**

2.19 Current Tax Liabilities (net)

Particulars	As at June 30, 2020	As at March 31, 2020
Provision for Taxation (net of taxes paid/adjusted)	-	3.22
Total	-	3.22

Prism Johnson Limited
Notes to Unaudited Standalone Financial Statements for the period ended June 30, 2020
All amounts are in ₹ Crores unless otherwise stated

3.01 Revenue from operations

Particulars	Period ended June 30, 2020	Period ended June 30, 2019
Revenue from operations		
Sale of products	756.56	1,496.95
Sale of services	6.63	6.70
Other operating revenue		
Scrap sales	0.20	0.95
Claims and recoveries	0.07	0.35
Export incentive	0.14	0.32
Others	0.94	2.39
Total	764.54	1,507.66

3.02 Other Income

Particulars	Period ended June 30, 2020	Period ended June 30, 2019
Interest income earned on financial assets :		
Bank deposits (at amortized cost)	3.93	0.38
Corporate guarantee / unwinding interest	0.61	0.39
Dividend on preference shares	0.05	0.04
Others	2.60	1.69
Other non - operating income :		
Liabilities no longer considered as payable	0.08	0.09
Government assistance- Tax Subsidy / Exemption	0.08	0.26
Miscellaneous income	0.35	0.05
Other gains and losses :		
Net gain on buyback of investments	-	5.31
Net gain on foreign exchange fluctuation	0.51	1.45
Net gain on disposal of Property, plant and equipment	0.28	-
Others	0.70	-
Total	9.19	9.66

3.03 Changes in Inventories

Particulars		Period ended June 30, 2020	Period ended June 30, 2019
Inventories at the end of the year (including in-transit)			
Stock-in-trade		38.00	40.01
Work-in-progress		27.43	82.62
Finished goods		121.41	136.44
	(a)	186.84	259.07
Inventories at the beginning of the year (including in-transit)			
Stock-in-trade		51.71	40.78
Work-in-progress		69.19	64.13
Finished goods		154.72	127.11
	(b)	275.62	232.02
Total	(a - b)	(88.78)	27.05

Prism Johnson Limited

Notes to Unaudited Standalone Financial Statements for the period ended June 30, 2020

All amounts are in ₹ Crores unless otherwise stated

3.04 Other manufacturing expenses

Particulars	Period ended June 30, 2020	Period ended June 30, 2019
Stores and spares consumed	11.02	18.12
Plant and equipment hire charges	3.46	10.15
Repairs to plant and equipment	2.63	4.63
Royalty for minerals	7.74	14.92
Sub-contract charges	8.54	19.83
Plant upkeep expenses	4.45	11.74
Quarry expenses	0.24	4.60
Dies and punches consumed	0.01	0.56
Other manufacturing expenses	0.21	0.81
Total	38.30	85.36

3.05 Employee benefits expense

Particulars	Period ended June 30, 2020	Period ended June 30, 2019
Salaries, wages and bonus	92.24	103.61
Contribution to provident and other funds	9.26	9.27
Staff welfare expenses	3.01	5.30
Total	104.51	118.18

3.06 Finance costs

Particulars	Period ended June 30, 2020	Period ended June 30, 2019
Interest and Finance charges on financial liabilities		
Interest on overdraft / cash credit	1.60	1.02
Interest on borrowings	37.33	38.26
Interest on security deposits	3.04	3.28
Interest on lease obligation	4.63	1.88
Other borrowing costs	1.20	2.26
Total	47.80	46.70

3.07 Depreciation, Amortization and Impairment expense

Particulars	Period ended June 30, 2020	Period ended June 30, 2019
Depreciation of Property, plant and equipment	42.72	41.69
Depreciation on Right of Use Assets	10.31	3.34
Impairment of Property, plant and equipment	-	0.50
Amortization of intangible assets	1.13	0.33
Total	54.16	45.86

All amounts are in ₹ Crores unless otherwise stated

3.08 Other expenses

Particulars	Period ended June 30, 2020	2019
Rent expenses	5.97	6.26
Rates and taxes	2.15	2.07
Travelling and communication expenses	3.53	14.18
Commission on sales	4.42	6.91
Advertisement, sales promotion and other marketing expenses	4.80	18.19
Legal and professional fees	3.47	9.15
Insurance	4.57	2.81
Impairment of trade receivables	19.21	6.64
Bad debts written off	2.11	0.76
Loss on sale of assets	-	0.02
Concrete pumping expenses	1.54	3.72
Research expenses	0.59	0.89
Repairs to buildings	0.19	0.70
Repairs others	1.69	1.67
Bank charges	0.96	1.14
Impairment of non-current assets	1.39	0.17
Impairment/write-off of Inventories	3.78	-
Miscellaneous expenses	10.00	17.02
Total	**70.37**	**92.30**

3.09 Tax expenses

Particulars	Period ended June 30, 2020	2019
(a) Income tax expenses :		
Current tax		
In respect of the current year	-	23.45
Deferred tax		
In respect of the current year	-	13.15
Total	-	36.60
(b) Income tax recognised in Other Comprehensive Income		
Remeasurements of the defined benefit plans	0.25	0.07
Total income tax expenses recognised in the year (a + b)	**0.25**	**36.67**

H. & R. JOHNSON (INDIA)

TBK LIMITED

2019-2020

Borkar & Muzumdar
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF H. & R. JOHNSON (INDIA) TBK LIMITED
Report on the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **H. & R. JOHNSON (INDIA) TBK LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion.

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

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 the information included in the Board's report, including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon. The Board's report is expected to be made available to us after the date of this our auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

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Branches : Ahmedabad • Bangalore • Bhopal • Bhubaneswar • Bilaspur • Delhi • Goa • Hyderabad • Jaipur • Kolkata • Mira Road • Nagpur • Patna • Pune • Raipur

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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 accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the audit of the Standalone Ind AS 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 Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion.

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACC conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by the section 143 (3) of the Act, based on our audit 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the provisions of the Section are not applicable to the Company.

BORKAR & MUZUMDAR
MUMBAI
F.R. NO.
101569W
CHARTERED ACCOUNTANTS

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, 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 its standalone Ind AS financial statements. Refer to Note 2.31 to 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 amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

CA Deepak Kumar Jain
Partner
UDIN: 20154390AAAAEQ9433
M.No: 154390

Mumbai
Date: May 24, 2020

Annexure-A to the Independent Auditors' Report
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of H. & R. JOHNSON (INDIA) TBK LIMITED)

i. **PROPERTY, PLANT AND EQUIPMENT**

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b. As explained to us, fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. Discrepancies notices on such physical verification have been properly dealt in the books of accounts;

c. According to the information and explanation given to us and on the basis our examination of the records of the Company, the title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company.

ii. During the Operating cycle of Company, Management regularly conduct physical verification of Finished Goods which in our opinion is reasonable, having regard to the size and nature of the Company. The discrepancies noticed on such verification were not significant and the same have been properly dealt with in the books of account.

iii. The Company has not granted any loans, secured or unsecured, to companies, firm, limited liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act")

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of the Section 185 and 186 of the Act, with respect to the loans and investment made.

v. The Company has not accepted any deposits from the public.

vi. The Company is in the trading business, hence the paragraph 3(vi) of the Order is not applicable to the Company.

vii. **STATUTORY DUES**

a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, employees' state insurance, goods and service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, employees' state insurance, goods and service tax, cess and other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us, there are no dues of service tax, goods and service tax and Income tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of Sales Tax, Value added Tax and Income-tax have not been deposited by the Company on account of disputes:

BORKAR & MUZUMDAR
MUMBAI
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Name of the statute	F.Y. to which the matter pertains	Amount in Lacs*(1)	Forum where dispute is pending
Central And State Sales Tax Act	2014-15	4.99	Commercial Tax Office Ernakulam, Kerala
Central And State Sales Tax Act	2015-16	16.37	Commercial Tax Office Ernakulam, Kerala

* (1) Net of Amount paid under Protest.

viii. In our opinion and according to the information and explanation given to us the Company has not defaulted in repayment of loans or borrowings to a Bank. The Company has not issued any debentures.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable in all these respects.

x. According to the information and explanations given to us, no 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 provisions of Section 197 read with Schedule V to the Companies Act, 2013 is not applicable to Company.

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 the Section 188 of the Companies Act, 2013. Details of transactions with the related parties have been disclosed in the financial statements as required by applicable Indian Accounting Standard. However, the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.

xiv. According the information and explanations given 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 him. 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 Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

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F.R. NO.
101569W
CHARTERED ACCOUNTANTS

CA Deepak Kumar Jain
Partner
UDIN: 20154390AAAAEQ9433
M.No: 154390

Mumbai
Date: May 24, 2020

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of H. & R. JOHNSON (INDIA) TBK LIMITED of even date)

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 **H. & R. JOHNSON (INDIA) TBK LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 standalone Ind AS 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)

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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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, to best of our information and according to the explanation given to us, 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 March 31, 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 Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

BORKAR & MUZUMDAR
MUMBAI
F.R. NO.
101569W
CHARTERED ACCOUNTANTS

CA Deepak Kumar Jain
Partner
UDIN: 20154390AAAAEQ9433
M.No: 154390

Mumbai
Date: May 24, 2020

1. Company overview and Significant Accounting Policies

1.1 Company Overview

H. & R. Johnson (India) TBK Limited, a Limited Company incorporated under the Companies Act, 1956, is a wholly owned subsidiary of Prism Johnson Limited. The Company is in the business of trading in Tiles, Bathroom Fittings, Kitchen & Branded Tiles Display Unit, having Retail outlets across the nation.

Authorization of financial statements

The Financial Statements were authorized for issue in accordance with a resolution of the directors on May 24, 2020.

Summary of significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the presentation of the standalone financial statements.

1.2 Basis of Preparation

These financial statements are prepared in accordance with the Indian Accounting Standards ("Ind AS") under the historical cost convention on the accrual basis except certain financial instruments are measured at fair values, the provisions of the Companies Act, 2013 ("the Act") (to the extent notified). The Indian Accounting Standards ("Ind AS") are notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All amounts disclosed in the financial statement and notes have been rounded off to the nearest digits, except where otherwise indicated.

1.3 Use of judgements, estimates & assumptions

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgement and assumptions These estimates, judgments and assumptions affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, the disclosure of contingent asset and liabilities at the date of financial statements and reported amounts of revenue and expenses during the period. The Application of accounting Policies that require critical accounting estimates involving complex and subjective judgement and the use of assumptions in these financial statements have been disclosed in Note 1.4. Accounting Estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of such changes in the circumstances surrounding the estimates. Changes in estimate are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.4 Critical Accounting Estimates

a) The useful lives of, or expected pattern of consumption of the future economic benefits embodied in, depreciable assets;
b) Valuation of inventories and Inventory obsolescence;
c) Contingencies.

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1.5 Revenue Recognition

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, when all the following conditions are satisfied:

- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns and allowances,trade discounts and volume rebates but does not include Goods and Service Tax (GST).

1.6 Property, Plant and equipment

a) Property, plant and equipment are stated at historical cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period to get ready for their intended use, finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

b) When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Cost of major inspection is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of Profit or Loss as incurred.

c) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net realisable value and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

d) The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted prospectively.

e) The Company depreciates Property, Plant & Equipment over their estimated useful lives using the straight-line method. The estimated useful lives of the Asset are as follows:

Assets	Useful life of asset
Sign Boards	9 Years
Office Equipment	5 Years
Computer Equipment	3 Years
Furniture and fixtures	10 years
Vehicles	8 years
Plant & Machinery	15 years
Lease Improvements	Over the period of Lease

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f) All assets costing up to Rs. 5,000/-, are fully depreciated in the year of capitalization.

1.7 Impairment of Assets

a) **Financial Asset**

The Company recognise loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial asset, ECLs are measured at amount equal to the 12 Month EC, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The Amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amounts that is required to be recognised as an impairment gain or loss in profit or loss.

b) **Non-Financial Asset**

Carrying amount of Tangible and Intangible Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's assets (cash-generating units). Non- financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.8 Inventories

Stock-in-Trade is valued at lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

1.9 Financial Instruments

a) **Initial Recognition**

The Company recognizes financial asset and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial asset and liabilities are recognised at fair value on initial recognition, except for trade receivable which are initially measured at transaction price. Transaction cost that are directly attributable to the acquisition or issue of financial asset and financial liabilities that are not fair value through Profit or loss are added to the fair value on initial recognition.

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b) **Subsequent Measurement**

(i). Financial asset at Amortized cost

A Financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal outstanding.

(ii). Financial Asset at Fair Value through other comprehensive income

Financial Asset is subsequently measured through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flow an selling financial asset and contractual terms of the financial asset give rise on specified dates to the cash flows that are solely payments of principle and interest on the principle amount outstanding. Further in cases where the company has made irrevocable election based on its business model, for its investment which are classified as equity instruments, The subsequent changes in fair value are recognized in other comprehensive income.

(iii). Financial Asset at Fair value through Profit & Loss

A Financial Asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

(iv). Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For Trade and other Payables maturing within one year form the balance sheet date, carrying amount approximate fair value due to the short maturity of these instruments.

(v). Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

(vi). Investment in Subsidiaries

Investment in Subsidiaries is carried at cost in separate financial statements.

c) **Derecognition**

The Company derecognise a financial asset when the contractual right to the cash flows from the financial asset expire or it transfer the financial asset and the transfer qualifies for derecognition under Ind AS 109. A Financial Liability (or a part of financial Liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

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1.10 Provisions, Contingent liabilities, Contingent Assets

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the company recognizes any impairment loss on the assets associated with that contract.

Contingent liabilities are disclosed in the case of:

- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from the past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent Liabilities in respect of show-cause notices are considered only when converted into demands.

Contingent Assets is disclosed when inflow of economic benefits is probable.

1.11 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 asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

The Company ceases capitalizing borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

1.12 Foreign currency translation

a) Functional and presentation currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian Rupees (Rounded off to Lacs).

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b) **Transactions, Translation and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains / (losses).

Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.13 Earnings Per Share

Basic earnings per equity share are computed by dividing the net profit attributable to the Equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

1.14 Taxes on Income

Current Tax

Current Income Tax for the current and prior period is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rate and tax laws that have been enacted or substantively enacted by the Balance sheet date.

Current tax is recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively. Where current tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it

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is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets 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 deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.15 Employee benefit

a) **Gratuity**

The Company provided for gratuity, a defined benefit plan ("the Gratuity Plan") covering eligible employees. The Gratuity plan provides to vested employees a lump sum payment on retirement, death, termination of the employment, of an amount based on the respective employee's salary and the tenure of the employment with the Company.

The liability with regard to the Gratuity plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The Company recognizes the net obligation of the defined benefit plan in its balance sheet as a liability.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in statement of profit or loss as past service cost.

b) **Provident Fund**

Eligible employees of the Company receive benefits from a provident fund, which is a defined Contribution plan. Both the Eligible Employees and the Company make monthly contributions to

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the provident fund plan equal to a specified percentage of covered employee's salary. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The contributions are recognised as employee benefit expense when they are due.

c) **Employee's State Insurance Corporation**

Eligible employees of the Company receive benefits from a ESIC, which is a defined Contribution plan. The Eligible Employees make monthly contributions to the Employee's State Insurance Corporation plan equal to a specified percentage of covered employee's salary. The Company pays ESIC contributions to publicly administered ESIC as per local regulations. The contributions are recognised as employee benefit expense when they are due.

d) **Compensated Absence**

The Company has a policy on compensated absences such as Paid Leaves, Sick leaves and casual leaves which are both accumulating and Non-Accumulating. Liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

1.16 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown with in borrowings in current liabilities in the Balance Sheet.

1.17 Dividend

The Final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

1.18 Other Income

Other Income is comprised primarily of Interest income, dividend income, exchange gain/loss on translation of other asset and liabilities. Dividend income is recognised when the right to receive the payment is established.

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1.19 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.
The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April 2019. The Company also elected to use the recognition exemptions for lease contracts.
The Company assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.
If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

Lease Liabilities
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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Company as a lessor

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

1.20 Fair Vale Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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:

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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H. & R. Johnson (INDIA) TBK Limited
Standalone Balance Sheet as at March 31, 2020
All amounts are in Rs. In lacs unless otherwise stated

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	2.01	32.28	21.03
Other Intangible assets		-	-
Financial assets			
Investments	2.02	485.10	444.12
Trade Receivables	2.03	-	-
Loans	2.04	540.20	1,122.80
Other financial assets	2.05	167.27	585.39
Deferred tax assets (Net)	2.06	53.67	57.64
Other non-current assets	2.07	108.76	160.49
Total non-current assets		**1,387.28**	**2391.47**
Current Assets			
Inventories	2.08	128.11	189.33
Financial Assets			
Investments		-	-
Trade Receivables	2.03	134.42	353.26
Cash and cash equivalents	2.09	17.67	13.96
Bank balances other than 2.09 above	2.09	-	-
Loans	2.04	-	-
Other financial assets	2.05	63.51	139.31
Current tax assets (Net)		-	-
Other current assets	2.07	29.21	117.71
Total current assets		**372.32**	**813.57**
Total assets		**1,759.60**	**3,205.03**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	2.10	161.02	161.02
Other Equity	2.11	922.57	1,793.30
Total equity		**1,083.59**	**1,954.32**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	2.12	400.00	400.00
Lease Liability	2.13	12.03	-
Trade payables	2.14	-	-
Other financial liabilities	2.15	3.00	3.00
Provisions	2.16	59.34	60.92
Deferred tax liabilities (Net)	2.06	-	-
Other non-current liabilities	2.17	-	-
Total non-current liabilities		**474.37**	**463.92**
Current liabilities			
Financial Liabilities			
Borrowings	2.12	-	115.24
Lease Liability	2.13	4.36	-
Trade payables	2.14		
Total outstanding dues of Micro & Small Enterprises		-	40.69
Total outstanding dues of Creditors other than Micro & Small Enterprises		36.48	392.95
Other financial liabilities	2.15	54.01	143.09
Other current liabilities	2.17	68.64	51.86
Provisions	2.16	38.16	42.96
Current Tax Liabilities (Net)		-	-
Total current liabilities		**201.65**	**786.80**
Total equity and liabilities		**1,759.60**	**3,205.04**

Accompanying notes form an integral part of the Standalone financial Statements 1
As per our report of even date

For Borkar & Muzumdar
Chartered Accountants
FRN 101569W

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

Deepak Kumar Jain
Partner
M. No. 154390
Place: Mumbai
Date: May 24, 2020

For and on behalf of the Board of Directors of

Dinesh Vyas
Director
DIN: 02550960
Place: Thane
Date: May 24, 2020

Arun Kumar Agarwal
Director
DIN: 06404309

H. & R. Johnson (India) TBK Ltd.

H. & R. Johnson (INDIA) TBK Limited

Standalone Statement of Profit & Loss for the year ended March 31, 2020

All amounts are in Rs. in lacs unless otherwise stated

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations	2.18	3,275.53	2,915.35
Other income	2.19	122.31	143.83
Total Income		**3,397.84**	**3,059.18**
Expenses			
Purchase of stock-in-trade	2.20	2,510.74	2,279.79
Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.21	61.23	(75.04)
Employee benefits expense	2.22	482.43	476.65
Finance costs	2.23	43.54	40.37
Depreciation and amortization expense	2.24	8.75	4.78
Impairment loss on financial assets	2.25	898.76	564.44
Other expenses	2.26	262.47	188.53
Total Expenses		4,267.91	3,479.53
Profit / (loss) before exceptional items and tax		(870.07)	(420.35)
Exceptional items		-	-
Profit / (loss) before tax		**(870.07)**	**(420.35)**
Tax expenses	2.27		
Current tax		-	-
Deferred tax		3.11	9.21
		3.11	9.21
Profit / (loss) for the year from continuing operations		**(873.18)**	**(429.56)**
Profit / (loss) for the year from discontinued operations before tax		-	-
Tax expense of discontinued operations		-	-
Profit / (loss) for the year from discontinued operations (after tax)			-
Profit/ (loss) for the year		(873.18)	(429.55)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		3.31	(2.95)
Income tax/Deffered tax recognised in other comprehensive income		0.86	
		2.45	(2.95)
Total other comprehensive income		2.45	(2.95)
Total comprehensive income for the period		(870.73)	(432.50)
Earnings per equity share (for continuing operations) :			
Basic (in Rs.)	2.28	(542.28)	(266.77)
Diluted (in Rs.)		(542.28)	(266.77)
Earnings per equity share (for discontinued and continuing operations) :			
Basic (in Rs.)		(542.28)	(266.77)
Diluted (in Rs.)		(542.28)	(266.77)

Accompanying notes form an integral part of the Standalone financial Statements 1

As per our report of even date

For Borkar & Muzumdar
Chartered Accountants
FRN : 101569W

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

Deepak Kumar Jain
Partner
M. No : 154390

Place: Mumbai
Date: May 24, 2020

For and on behalf of the Board of Directors

Dinesh Vyas
Director
DIN: 02550960

Arun Kumar Agarwal
Director
DIN: 06404309

Place: Thane
Date: May 24, 2020

H. & R. Johnson (India) TBK Ltd.

H. & R. Johnson (INDIA) TBK Limited
Cash Flow Statement for the year ended March 31, 2020
All amounts are in Rs. In lacs unless otherwise stated

	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from operating activities		
Profit Before Tax from Continuing Operations	(870.07)	(420.35)
Profit Before Tax from Discontinuing Operations	-	-
Profit before income tax including discontinued operations	(870.07)	(420.35)
Non-cash Adjustment to Profit Before Tax:		
Depreciation and amortization expense	8.75	4.78
Acturial gain/(loss) on defined benefit obligation	2.45	(2.95)
Loss on disposal of property, plant and equipment	0.12	1.24
Finance costs	43.54	36.00
Bad Debts	17.17	-
Impairement	849.07	-
Interest Income	(70.37)	(129.42)
	(19.34)	(510.70)
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	201.67	(204.39)
Decrease/(increase) in inventories	61.23	(75.04)
Increase/(decrease) in trade payables	(397.17)	69.52
Decrease/(increase) in other financial assets	(404.84)	86.76
Decrease/(increase) in other non-current assets	51.73	26.11
Decrease/(increase) in other current assets	88.50	(27.47)
Increase/(decrease) in provisions	(5.52)	(30.85)
Increase/(decrease) in loans	582.60	-
Increase/(decrease) in other current liabilities	16.77	24.16
Increase/(decrease) in other financial liabilities	(89.08)	17.38
Cash generated from operations	86.54	(624.53)
Direct taxes paid (net of refunds)		(0.88)
Net cash flow from/(used in) operating activities (A)	86.54	(623.64)
Cash flow from investing activities		
Payments for acquisition of property, plant and equipment	(3.72)	(9.01)
Proceeds from sale of Investment	11.21	-
Investment in Subsidiary	(2.50)	
Loans to related parties	-	(2.18)
Proceeds from sale of property, plant and equipment	-	-
Repayment of loans by related parties	-	398.25
Interest received	70.37	129.42
Net cash flow from/(used in) investing activities (B)	75.36	516.48
Cash flows from financing activities		
Repayment from borrowings	(115.24)	115.24
Interest paid	(43.54)	(36.00)
Net cash flow from/(used in) in financing activities (C)	(158.78)	79.24
Net increase/(decrease) in cash and cash equivalents (A+B+C)	3.12	(27.92)
Effect of exchange differences on cash & cash equivalent held in foreign currency		
Cash and cash equivalents at the beginning of the year	13.96	41.88
Cash and cash equivalents at the end of the year	17.07	13.96
Reconciliation of cash and cash equivalents as per the cash flow statement :		
Cash and cash equivalents	17.07	13.96
Bank overdrafts		
Balance as per the cash flow statement :	17.07	13.96

As per our report of even date

For Borkar & Muzumdar
Chartered Accountants
FRN : 101569W

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

Deepak Kumar Jain
Partner
M. No. 154390

Place: Mumbai
Date: May 24, 2020

For and on behalf of the Board of Directors of

Dinesh Vyas
Director
DIN: 02550960

Arun Kumar Agarwal
Director
DIN: 06404309

Place: Thane
Date: May 24, 2020

H. & R. Johnson (India) TBK Ltd.

H. & R. Johnson (INDIA) TBK Limited

Standalone Statement of changes in equity for the year ended March 31, 2020

All amounts are in Rs. In lacs unless otherwise stated

Particulars	Equity Share Capital	Other Equity				Total Equity Attributable to Equity Shareholder
		Reserve and Surplus		Items of Other Comprehensive Income		
		Capital reserve	Retained earnings	Remeasurements of the defined benefit plans	Items of Other Comprehensive Income	
Balance at March 31, 2019	161.02	4,214.90	(2,432.33)	10.73	-	1,954.32
Changes in Equity for the Period ended March 2020						
Profit for the year	-	-	(873.18)	-	-	(873.18)
Other comprehensive income	-	-	-	2.45	-	2.45
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-
Balance as at March 31, 2020	161.02	4,214.90	(3,305.51)	13.18	-	1,083.59
Any other change (to be specified)	-	-	-	-	-	-
Balance at March 31, 2020	161.02	4,214.90	(3,305.52)	13.18	-	1,083.59

Accompanying notes form an integral part of the Standalone financial Statements 1

As per our report of even date

For Borkar & Muzumdar
Chartered Accountants
FRN : 101569W

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

Deepak Kumar Jain
Partner
M. No : 154390

Place: Mumbai
Date: May 24, 2020

For and on behalf of the Board of Directors of

Dinesh Vyas
Director
DIN: 02550960

Arun Kumar Agarwal
Director
DIN: 06404309

H. & R. Johnson (India) TBK Ltd.

Place: Thane
Date: May 24, 2020

H. & R. Johnson (INDIA) TBK Limited
Notes to Standalone Financial Statements for the period ended Mar 31, 2020
All amounts are in Rs. In lacs unless otherwise stated

2.01 Property, plant and equipment :

Particulars		Gross Carrying Amount				Depreciation				Net Block	
		As at April 1, 2019	Addition	Disposal	As at Mar 31, 2020	As at April 1, 2019	For the Year	Elimination on disposal	As at Mar 31, 2020	As at Mar 31, 2020	As at March 31, 2019
Own Assets :											
Land - Freehold		3.38	-	-	3.38	-	-	-	-	3.38	3.38
Leasehold Improvements		18.59	-	-	18.59	11.59	1.26	-	12.85	5.74	7.00
Plant & Machinery		4.03	-	-	4.03	1.85	0.42	-	2.27	1.76	2.18
Computers		8.62	0.01	0.01	8.63	7.07	0.46	-	7.53	1.09	1.55
Furniture, Fixtures		21.76	0.07	0.04	21.79	15.91	1.31	0.02	17.21	4.58	5.85
Vehicles		-	-	-	-	-	-	-	-	-	-
Office Equipment		2.72	0.19	0.11	2.80	1.64	0.33	0.02	1.96	0.84	1.08
Sign Board		0.72	-	-	0.72	0.72	-	-	0.72	0.00	0.00
Total	(A)	59.81	0.27	0.15	59.93	38.78	3.79	0.04	42.53	17.40	21.03
Right of Use Assets :											
Building		-	19.85	-	19.85	-	4.96	-	4.96	14.89	-
Total	(B)	-	19.85	-	19.85	-	4.96	-	4.96	14.89	-
Total	(A+B)	59.81	20.12	0.15	79.78	38.78	8.75	0.04	47.50	32.28	21.03

Particulars	Gross Carrying Amount				Depreciation				Net Block	
	As at April 1, 2018	Addition	Disposal	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Land - Freehold	3.38	-	-	3.38	-	-	-	-	3.38	3.38
Leasehold Improvements	14.94	6.97	3.33	18.59	12.26	1.46	2.13	11.59	7.00	2.68
Plant & Machinery	4.03	-	-	4.03	1.43	0.42	-	1.85	2.18	2.60
Computers	8.05	0.57	-	8.62	5.94	1.13	-	7.07	1.55	2.11
Furniture, Fixtures	20.75	1.15	0.14	21.76	14.60	1.41	0.10	15.91	5.85	6.14
Vehicles	-	-	-	-	-	-	-	-	-	-
Office Equipment	2.40	0.32	-	2.72	1.27	0.38	-	1.64	1.08	1.13
Sign Board	0.72	-	-	0.72	0.72	-	-	0.72	0.00	0.00
Total	54.26	9.01	3.46	59.81	36.23	4.78	2.23	38.78	21.03	18.03

SORKAR & MOZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

H. & R. Johnson (India) TBK Ltd.

H. & R. Johnson (INDIA) TBK Limited
Notes to Standalone Financial Statements for the period ended Mar 31, 2020
All amounts are in Rs. In lacs unless otherwise stated

2.02 Non-current Investments

	As at Mar 31, 2020		As at March 31, 2019	
	Qty	Amount	Qty	Amount
Investments in Equity Instruments (fully paid-up)				
Unquoted				
Investment in Subsidiaries				
TBK Venkataramiah Tile Bath Kitchen Private Limited	10,000	1.00	10,000	1.00
TBK Samiyaz Tile Bath Kitchen Private Limited	83,000	57.99	58,000	55.49
TBK Rangoli Tile Bath Kitchen Private Limited	10,000	1.00	10,000	1.00
Provision for diminution in value of investments		-		(49.69)
Investment in Joint Ventures				
TBK Deepgiri Tile Bath Kitchen Private Limited	50,000	5.00	50,000	5.00
TBK P B Shah Tile Bath Kitchen Private Limited - (upto - 21/03/2020)	-	-	50,000	5.00
TBK Unique Jalgaon Tile Bath Kitchen Private Limited	5,000	0.50	5,000	0.50
TBK Rathi Sales Agencies Private Limited - (upto - 14/11/2019)	-	-	5,000	0.50
TBK Prathap Tile Bath Kitchen Private Limited	5,000	0.50	5,000	0.50
TBK Deziner's Home Private Limited - (upto - 24/06/2019)	-	-	25,000	2.50
TBK Florence Ceramics Private Limited	1,55,000	337.50	1,55,000	337.50
TBK Krishna Tile Bath Kitchen Private Limited - (upto - 21/06/2019)	-	-	5,000	0.50
TBK Sanitary Sales Private Limited	5,000	0.50	5,000	0.50
TBK Rishi Ceramics Private Limited - (upto - 23/10/2019)	-	-	5,000	0.50
TBK Shree Ganesh Traders Private Limited - (upto - 14/11/2019)	-	-	5,000	0.50
TBK Ashwarya Tile Bath Kitchen Private Limited - (upto - 24/10/2019)	-	-	5,000	0.50
TBK Raj Kamal Tile Bath Kitchen Private Limited - (upto - 24/06/2019)	-	-	5,000	0.50
TBK Home Trends Private Limited - (upto - 19/10/2019)	-	-	5,000	0.50
TBK Solan Ceramics Private Limited - (upto - 23/08/2019)	-	-	5,000	0.50
Quoted				
Equity Shares of Asian Paints Limited	10	0.00	10	0.00
Equity Shares of Berger Paints India Limited	22	0.00	22	0.00
Equity Shares of Cera Sanitaryware Limited	2	0.00	2	0.00
Equity Shares of Kansai Nerolac Paints Limited	20	0.00	20	0.00
Equity Shares of La Opala RG Limited	20	0.00	20	0.00
Equity Shares of Madhav Marbles & Granites Limited	1	0.00	1	0.00
Equity Shares of Saint-Gobain Sekurit India Limited	1	0.00	1	0.00
Equity Shares of SIL Business Enterprises Limited	1	0.00	1	0.00
(A)		404.00		363.31
Un quoted				
TBK Tile Home Private Limited	100	0.01	100	0.01
Reddy Ceramics Private Limited	100	0.01	100	0.01
TBK Sai Ram Tile Bath Kitchen Private Limited	500	0.05	500	0.05
TBK Krishna Tile Bath Kitchen Private Limited	100	0.01	-	-
TBK Raj Kamal Tile Bath Kitchen Private Limited	100	0.01	-	-
TBK Deziner's Home Private Limited	500	0.05	-	-
TBK Solan Ceramics Private Limited	100	0.01	-	-
TBK P B Shah Tile Bath Kitchen Private Limited	2,000	0.20	-	
TBK Shree Ganesh Traders Private Limited	100	0.01	-	-
(B)		0.36		0.07
Investments in Preference Shares				
Unquoted				
TBK P B Shah Tile Bath Kitchen Private Limited	25,000	20.67	25,000	20.67
TBK Rishi Ceramics Private Limited	12,500	10.33	12,500	10.33
TBK Deziner's Home Private Limited	60,000	49.75	60,000	49.75
(C)		80.74		80.74
Total non - current Investments (A + B + C)		485.10		444.12
Aggregate book value of quoted investments		0.01		0.01
Aggregate market value of quoted investments		0.43		0.42
Aggregate amount of unquoted investments		485.09		444.11
Aggregate amount of impairment in value of investments		-		49.69

BORKAR & MUZUMDAR
MUMBAI
F. R. NO. 101569W
CHARTERED ACCOUNTANTS

H. & R. Johnson (India) TBK Ltd.

H. & R. Johnson (INDIA) TBK Limited
Notes to Standalone Financial Statements for the period ended Mar 31, 2020
All amounts are in Rs. In lacs unless otherwise stated

2.03 Trade Receivables	Non Current		Current	
	As at Mar 31, 2020	As at March 31, 2019	As at Mar 31, 2020	As at March 31, 2019
Trade receivable considered good - Secured	-	-	-	-
Trade receivable considered good - Unsecured	-	-	134.42	353.26
Trade receivable which have significant increase in Credit Risk	-	-	0.02	17.23
	-	-	134.45	370.49
Allowance for doubtful debts (expected credit loss)	-	-	0.02	17.23
Trade receivable - credit impaired	-	-	-	-
Total	-	-	134.42	353.26

2.04 Loans	Non Current		Current	
	As at Mar 31, 2020	As at March 31, 2019	As at Mar 31, 2020	As at March 31, 2019
Security Deposits				
Secured, considered good	-	-	-	-
Unsecured, considered good	23.03	21.77	-	-
Doubtful	-	-	-	-
	23.03	21.77	-	-
Less : Impairment of deposits	-	-		
(A)	23.03	21.77	-	-
0.01% Non Convertible Reedemable Preference Share	28.80	26.42	-	-
Loans to Subsidiaries & Joint Venture				
Loans receivable considered good - Secured	-	-	-	-
Loans receivable considered good - Unsecured	228.05	1,057.41	-	-
Loans receivable which have significant increase in Credit Risk	293.99	134.00	-	-
	522.04	1,191.41	-	-
Less : Allowance for impairment loss on loans	207.24	134.00	-	-
Loans receivable - credit impaired	-	-		
(B)	341.59	1,083.43	-	-
Loans to others				
Loans receivable considered good - Secured	-	-		
Loans receivable considered good - Unsecured	126.00	-	-	-
Loans receivable which have significant increase in Credit Risk	179.04	33.66	-	-
	305.04	33.66	-	-
Less : Allowance for Impairment loss on loans	131.46	16.46	-	-
Loans receivable - credit impaired	-	-		
(C)	173.58	17.20	-	-
Total (A + B + C)	540.20	1,121.80	-	-

2.05 Other financial assets	Non Current		Current	
	As at Mar 31, 2020	As at March 31, 2019	As at Mar 31, 2020	As at March 31, 2019
Unsecured				
Security deposits	2.10	1.75	-	-
Interest receivable on Fixed Deposits	0.16			
Interest receivable considered good - Secured	-	-		
Interest receivable considered good - Unsecured	141.05	583.64	-	-
Interest receivable which have significant increase in Credit Risk	284.17	127.71	-	-
	425.23	711.35	-	-
Less : Allowance for impairment loss on interest	260.22	127.71	-	-
Interest receivable - credit impaired	-	-	-	-
	165.00	583.64	-	-
Other receivable considered good - Secured	-	-	-	-
Other receivable considered good - Unsecured	-	-	62.70	139.31
Other receivable which have significant increase in Credit Risk	-	-	45.88	29.37
	-	-	108.58	168.68
Less : Allowance for impairment loss on Receivables	-	-	45.07	29.37
Other receivable - credit impaired	-	-	-	-
Total	167.27	585.39	63.51	139.31
Other Receivables				
Due from subsidiary			69.42	89.75
Due from joint venture			39.16	78.93
Total			108.58	168.68

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

H. & R. Johnson (India) TBK Ltd.

All amounts are in Rs. In lacs unless otherwise stated

2.06 Deferred tax assets/ liabilities (net)	As at Mar 31, 2020	As at March 31, 2019
Deductible temporary differences		
Unabsorbed Depreciation as per Income Tax	33.27	36.54
Defined benefit and other Long Term Benefit obligation	20.40	21.10
Net deferred tax asset/ (liabilities)	53.67	57.64

Movement in deferred tax Account during the year is as follows:

	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Acquisitions/ Disposals	Closing Balance
2019 - 20 :						
Deferred tax (liabilities)/assets in relation to :						
Difference between WDV of fixed assets as per books and IT	36.54	-3.27	-	-	-	33.27
Expenses provided but allowable in Income Tax on payment	21.10	-0.70	-	-	-	20.40
Others	-	-	-	-	-	-
	57.64	-3.97	-	-	-	53.67
Tax losses	-	-	-	-	-	-
Others	-	-	-	-	-	-
	-	-	-	-	-	-
	57.64	-3.97	-	-	-	53.67
2018 - 19 :						
Deferred tax (liabilities)/assets in relation to :						
Difference between WDV of fixed assets as per books and IT	39.08	-2.54	-	-	-	36.54
Expenses provided but allowable in Income Tax on payment	27.77	-6.67	-	-	-	21.10
Others	-	-	-	-	-	-
	66.85	-9.21	-	-	-	57.64
Tax losses	-	-	-	-	-	-
Others	-	-	-	-	-	-
	-	-	-	-	-	-
	66.85	-9.21	-	-	-	57.64

The Analysis of Deferred tax Assets and Deferred tax Liabilities is as follows:

	As at Mar 31, 2020	As at March 31, 2019
Deferred Tax Assets.		
Deferred Tax Assets to be recovered after more than 12 months	53.67	57.64
Deferred Tax Assets to be recovered within 12 months	-	-
	53.67	57.64
Deferred Tax Liabilities		
Deferred Tax Liabilities to be recovered after more than 12 months	-	-
Deferred Tax Liabilities to be recovered within 12 months	-	-
	-	-

Evidence supporting Recognition of Deferred tax asset or Liability

Unrecognised deductible temporary differences, unused tax losses and unused tax credits :	As at Mar 31, 2020	As at March 31, 2019
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following		
- unabsorbed depreciation	(329.04)	(311.65)
- business losses	(842.70)	(710.51)
- MAT Credit Entitlement	(9.22)	(9.22)
	-1,180.96	-1,031.38

Expiry date of Unrecognised deductible temporary differences, unused tax losses and unused tax credits :

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
- unabsorbed depreciation with no expiry dates	(329.04)	(311.65)
- business losses / MAT credit with expiry dates as follows		
12 Years	(9.22)	(9.22)
8 Years	(284.55)	(55.54)
7 Years	(101.78)	(125.26)
6 Years	(104.59)	-
5 Years	-	-
4 Years	-	-
3 Years	-	(90.89)
2 Years	(90.89)	(265.89)
1 Years	(260.89)	(172.93)
- unused tax credits (refer note below)	-	-
- deductible temporary differences (describe)	-	-
	(1,180.96)	(1,031.38)

Numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate(s), disclosing also the basis on which the applicable tax rate(s) is (are) computed	As at Mar 31, 2020	As at March 31, 2019
Accounting Profit	-570.07	-420.35
Tax at the domestic rate of 26% in 2020, (26% in 2019)	-	-
Difference between WDV of Property Plant and equipment including Intangibles as per books and Income taxes	-	-
Expenses provided but allowable in Income Tax on payment/writeoff(net)	-	-
Other than temporary Differences	-	-
Adjustments for current tax of prior periods	-	-
Tax Expense	-	-

BOKAR & MUZUMDAR
MUMBAI
F. R. NO.
101569W
CHARTERED ACCOUNTANTS

H. & R. Johnson (India) TBK Ltd.

H. & R. Johnson (INDIA) TBK Limited
Notes to Standalone Financial Statements for the period ended Mar 31, 2020
All amounts are in Rs. In lacs unless otherwise stated

2.07 Other assets

	Non Current		Current	
	As at Mar 31, 2020	As at March 31, 2019	As at Mar 31, 2020	As at March 31, 2019
Security Deposits				
Advances to related parties	-	-	-	-
Advances to other parties	-	-	6.52	2.61
Tax refund receivable	62.72	114.45	-	61.45
VAT credit Receivable	37.91	37.91	-	-
GST credit Receivable	-	-	13.15	43.57
Prepaid expenses	-	-	4.69	5.72
Deposit with statutory authorities (Net of provision)	8.13	8.13	-	-
Others	-	-	4.55	4.36
	108.76	160.49	29.21	117.71

2.08 Inventories

	As at Mar 31, 2020	As at March 31, 2019
Finished goods	128.11	169.33
Goods-in-transit		
Total inventories at the lower of cost and net realisable value	128.11	169.33

Write-downs of inventories carried to net realisable value amounted to Rs 2.36 Lacs (March 31, 2019 - Rs. 3.12 Lacs). These were recognised as an expense during the year and included in changes in value of inventories of stock-in-trade in statement of profit and loss.

2.09 Cash and Bank Balances

	As at Mar 31, 2020	As at March 31, 2019
Cash and cash equivalent		
Balances with banks:		
On current accounts	4.70	13.93
On Cash Credit	11.88	-
Cash in hand	0.39	0.02
	17.07	13.96

2.10 Share capital

	As at Mar 31, 2020	As at March 31, 2019
Authorised share capital :		
5,00,000 (March 31, 2019: 5,00,000) equity shares of Rs.100/- each	500.00	500.00
	500.00	500.00
Issued and subscribed capital comprises :		
1,61,020 (March 31, 2019: 1,61,020) equity shares of Rs.100/- each (fully paid up)	161.02	161.02
Total issued, subscribed and fully paid-up share capital	161.02	161.02

a. Reconciliation of shares outstanding as at the beginning and at the end of the reporting period:
(Separate reconciliation should be prepared for each Class of Shares)

Equity shares	As at Mar 31, 2020		As at March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	1,61,020	161.02	1,61,020	161.02
Outstanding at the end of the period	1,61,020	161.02	1,61,020	161.02

b. Details of share holders holding more than 5% shares in the company

	As at Mar 31, 2020		As at March 31, 2019	
	No. of Shares	% of holding	No. of Shares	% of holding
Equity shares of Rs. 100 each fully paid				
Name of the Shareholder				
Prism Johnson Limited	1,61,020	100%	1,61,020	100%

2.11 Other equity

	As at March 31, 2020	As at March 31, 2019
Retained earnings	(3,292.33)	(2,421.60)
Capital reserve	4,214.90	4,214.90
	922.57	1,793.30
Retained earnings		
Balance at beginning of year	(2,421.60)	(1,989.10)
Profit for the year	(873.18)	(429.55)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	2.45	(2.95)
Balance as at the end of the year	(3,292.33)	(2,421.60)
Capital reserve		
Balance as at the beginning of the year	4,214.90	4,214.90
Movement during the year	-	-
Balance as at the end of the year	4,214.90	4,214.90
Total other equity	922.57	1,793.30

Of the above 1,61,020 shares, 10 shares are held by individuals on behalf of Prism Johnson Limited.

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

H. & R. Johnson (India) TBK Ltd.

H. & R. Johnson (INDIA) TBK Limited
Notes to Standalone Financial Statements for the period ended Mar 31, 2020
All amounts are in Rs. In lacs unless otherwise stated

2.12 Borrowings	Non Current		Current	
	As at Mar 31, 2020	As at March 31, 2019	As at Mar 31, 2020	As at March 31, 2019
Secured				
Loans repayable to Banks				
- On Demand	-	-	-	115.24
Unsecured				
Term loans	-	-	-	-
Inter-corporate deposits	400.00	400.00	-	-
	400.00	400.00	-	115.24

(a) Terms of Repayment for borrowings:

Nature of Borrowing	Nature	Security	Terms of Repayment	As at Mar 31, 2020	As at March 31, 2019
i Cash Credit - HDFC Bank	Secured	Book debts & Stock	Repayable on demand	-	115.24
ii Inter Corporate Deposit	Unsecured	-	Repayable by 31/12/2021	400.00	400.00

2.13 Lease Liabilities	Non Current		Current	
	As at Mar 31, 2020	As at March 31, 2019	As at Mar 31, 2020	As at March 31, 2019
Building	12.03	-	4.36	-
	12.03	-	4.36	-

2.14 Trade payables	Non Current		Current	
	As at Mar 31, 2020	As at March 31, 2019	As at Mar 31, 2020	As at March 31, 2019
Total outstanding dues of Micro Enterprises & Small Enterprises	-	-	-	40.69
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	-	-	36.48	392.95
	-	-	36.48	433.65

2.15 Other financial liabilities	Non Current		Current	
	As at Mar 31, 2020	As at March 31, 2019	As at Mar 31, 2020	As at March 31, 2019
Interest accrued but not due on loans	-	-	8.06	86.11
Security deposits from others	3.00	3.00	-	-
Salary and Employee benefits payable	-	-	27.05	30.43
Liability for expenses	-	-	16.60	23.74
Others	-	-	2.30	2.81
	3.00	3.00	54.01	143.09

2.16 Provisions	Non Current		Current	
	As at Mar 31, 2020	As at March 31, 2019	As at Mar 31, 2020	As at March 31, 2019
Employee benefits				
Provision for Gratuity	35.00	34.54	4.26	4.43
Provision for Leave Encashment	24.33	26.38	4.91	5.43
Provision for Bonus	-	-	9.94	10.37
	59.34	60.92	19.12	20.24
Others				
Provision for Expenses	-	-	19.64	22.72
	-	-	19.64	22.72
	59.34	60.92	38.76	42.96

2.17 Other liabilities	Non Current		Current	
	As at Mar 31, 2020	As at March 31, 2019	As at Mar 31, 2020	As at March 31, 2019
Advance from customers	-	-	56.02	31.75
Statutory liabilities	-	-	12.61	20.12
	-	-	68.64	51.86

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2.18 Revenue from operations	As at Mar 31, 2020	As at March 31, 2019
Revenue from operations		
Sale of products	3,058.92	2,676.38
Sale of Services	216.00	216.00
Other operating revenue	0.61	22.97
Revenue from operations	3,275.53	2,915.35

2.19 Other Income	As at Mar 31, 2020	As at March 31, 2019
Interest Income on		
Bank Deposits	0.09	0.18
Interest on Loans	67.91	127.06
Interest on Reedemable Preference Shares	2.38	2.18
Other non - operating income		
Rebate & Discount	27.90	13.03
Interest on Income tax refund	21.37	-
Miscellaneous Income	2.67	1.38
	122.31	143.83

2.20 Purchases of Stock-in-trade	As at Mar 31, 2020	As at March 31, 2019
Tiles	2,321.74	1,895.28
Others	189.00	384.52
	2,510.74	2,279.79

2.21 (Increase) /decrease in inventories	As at Mar 31, 2020	As at March 31, 2019
Inventories at the end of the year		
Finished goods	128.11	189.33
	128.11	189.33
Inventories at the beginning of the year		
Finished goods	189.33	114.29
	189.33	114.29
	61.23	(75.04)

2.22 Employee Benefits Expense	As at Mar 31, 2020	As at March 31, 2019
Salaries, wages and bonus	450.18	464.21
Contribution to provident and other fund	21.22	20.35
Gratuity	7.51	6.09
Leave encashment	(0.00)	(18.37)
Staff welfare expenses	3.52	4.37
	482.43	476.65

2.23 Finance Costs	As at Mar 31, 2020	As at March 31, 2019
Interest on Loan	36.07	36.00
Lease Liability	1.83	-
Interest on Cash Credit	5.64	4.37
	43.54	40.37

2.24 Depreciation and amortization expense	As at Mar 31, 2020	As at March 31, 2019
Depreciation of property, plant and equipment	3.79	4.78
Depreciation and amortisation on lease assets	4.96	-
	8.75	4.78

2.25 Impairment loss on financial assets	As at Mar 31, 2020	As at March 31, 2019
Impairment loss allowance on trade receivables	-17.21	-
Impairment loss allowance on other financial assets	915.97	564.44
Impairment loss allowance on other financial assets in respect of earlier years	226.24	236.43
Reversal of Impairment loss allowance on other financial assets in respect of earlier years	-226.24	-236.43
	898.76	564.44

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2.26 Other Expenses	As at Mar 31, 2020	As at March 31, 2019
Rent and Maintenance	102.57	56.91
Rates & Taxes	2.20	0.90
Travelling & Communication Expenses	29.44	31.72
Discounts, incentives and commission on sales	13.68	5.46
Advertisement, Sales promotion and Other marketing expenses	3.83	9.35
Transit Insurance	9.24	11.36
Freight outward	36.53	25.71
Audit Fees	4.75	4.75
Fixed Assets Written off	0.12	1.24
Bad Debts	17.17	1.66
Power & Fuel	6.58	2.39
Legal & Professional Charges	19.66	23.91
Repairs others	5.23	6.52
Bank Charges	1.07	0.97
Miscellaneous Expenses	10.39	5.69
	262.47	188.53

Payment to Auditors	As at Mar 31, 2020	As at March 31, 2019
As auditor:		
Audit fee	4.75	4.75
	4.75	4.75

2.27 Tax expenses	As at Mar 31, 2020	As at March 31, 2019
(a) Income tax expenses :		
Current tax assets		
In respect of the current year	-	-
In respect of prior years	-	-
Others	-	-
	-	-
Deferred tax		
In respect of the current year	3.11	9.21
Others	-	-
	3.11	9.21
Total income tax expense recognised in the current year	3.11	9.21
(b) Income tax recognised in other comprehensive income		
Remeasurements of the defined benefit plans	0.86	-
	0.86	-
(c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate :		
Profit from continuing operations before income tax expense	(870.07)	(420.35)
Profit from discontinuing operations before income tax expense	-	-
Tax at the Indian tax rate of 26% (2018-2019 - 26%)*	-	-
Difference in overseas tax rates		
Adjustments of tax for prior periods	-	-
Adjustments of tax as per MAT	-	-
Adjustments of other timing differences	-	-
Tax losses for which no deferred income tax was recognised	-	-
Previously unrecognised tax losses now recouped to reduce current tax expense	-	-
Previously unrecognised tax losses used to reduce deferred tax expense	-	-
Income tax expense	-	-
(d) Amounts recognised directly in equity :		
Aggregate current and deferred tax arising in the reporting period and not		
Current tax	Nil	Nil
Deferred tax	Nil	Nil
(e) Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	-1,171.74	-1,022.16
Potential tax benefit @ 26% (2018-2019 - 26%)	(313.87)	(274.98)

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2.28 Earnings Per Share (EPS)

	Year ended March 31, 2020	Year ended March 31, 2019
Basic & Diluted earnings per share :		
From continuing operations attributable to equity holders of the company	(542.28)	(266.77)
From discontinued operations attributable to equity holders of the company		
Total basic & diluted earnings per share	(542.28)	(266.77)
Reconciliation of earnings used in calculating earnings per share :		
Basic & Diluted earnings per share		
Profit attributable to equity holders of the company used in calculating basic earnings per share :		
From continuing operations	(873.18)	(429.55)
From discontinued operations		
	(873.18)	(429.55)
Diluted earnings per share		
Profit from continuing operations attributable to equity holders of the company :		
Used in calculating basic earnings per share	(873.18)	(429.55)
Used in calculating diluted earnings per share	(873.18)	(429.55)
Profit from discontinued operations		
Profit used in calculating diluted earnings per share	(873.18)	(429.55)
Weighted average number of shares used as the denominator :		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,61,020	1,61,020
Adjustments for calculation of diluted earnings per share :		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,61,020	1,61,020

2.29 Details of Loans given, security provided and investment made during the year 2019-20 as per section 186 (4) of the Companies Act, 2013

Nature of transaction	Name of the recipient	Amount of loan/ security/ 2019 - 2020	Amount of loan/ security/ 2018 - 2019	Interest Rate	Purpose of loan/ security/	Period
Capital	TBK Samiyaz Tile Bath Kitchen Private Limited	2.50	-		Eq Share Invst	NA

2.30 Employee Benefit Plans

1. Defined contribution plans

The total expense recognised in profit and loss of Rs 21.22 Lacs (for the year ended March 31, 2019 : Rs 20.35 Lacs) represents contributions payable to these plans by the Company at rates specified in rules of the plans

2. Defined Benefits Plans

Gratuity

The company operates a gratuity plan covering qualifying employees. The benefit payable is the amount calculated as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the company. In case of death while in service, the gratuity is payable irrespective of vesting. The liability in respect of plan is determined on the basis of an actuarial valuation

3. Principal assumptions used for the purpose of actuarial valuation

	Gratuity Valuation as at 31-Mar-20	Gratuity Valuation as at 31-Mar-19
Discount Rate	6.99%	7.48%
Expected Rate(s) of salary increase	5%	5%
Attrition Rate	10%	10%

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4. Amounts recognised in standlone statement of Profit and Loss in respect of defined benefit plans

	Gratuity	
	Year Ended	
	31-Mar-20	31-Mar-19
Service cost:		
Current service cost	4.59	3.66
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	2.92	2.43
Component of defined benefit costs recognized in profit & loss	7.51	6.09
Remeasurement of net defined benefit liability	-	-
Return on plan assets(excluding amount included in net interest expense)	-	-
Acturial (gains)/ losses arising from changes in demographic assumptions	-	-
Acturial (gains)/ losses arising from changes in financial assumption	1.97	0.72
Acturial (gains)/ losses arising from experience adjustments	(5.28)	2.23
Others(decribe)		-
Adjustments for restrictions on defined beenfit assets		-
Componenets of defined benefits cost recognised in OCI	(3.31)	2.95
Total	4.20	9.04

5. Movements in present value of defined benefit obligation and planned assets

	Gratuity	
	Year Ended	
	31-Mar-20	31-Mar-19
Opening defined benefit obligations	38.97	31.69
Current service cost	4.59	3.66
Interest cost	2.92	2.43
Remeasurement (Gains)/loss		
Acturial (gains)/ losses arising from changes in demographic assumptions	-	-
Acturial (gains)/ losses arising from changes in financial assumption	1.97	0.72
Acturial (gains)/ losses arising from experience adjustments	(5.28)	2.23
Others(decribe)	-	-
Past service cost, including losses /(gains) on curtailments	-	-
Liabilities extingusihed on settlements	-	-
Liabilities assumed in business combinations	-	-
Exchange difference on foreign plans	-	-
Benefits paid	(3.91)	(1.16)
Others(describe)	-	-
Closing Defined Benefit Obligation	39.26	38.97

6. Assets / Liabilities

Particulars	Gratuity 31-Mar-20	Gratuity 31-Mar-19
Defined benefit obligation at end of period	39.26	38.97
Fair value of plan assets at end of period	-	-
Net defined benefit liability (asset)	39.26	38.97

7. Sensitivity analysis
Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below 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.

Sensitivity analysis - DBO end of Period

Particulars	Gratuity 31-Mar-20	Gratuity 31-Mar-19
Discount rate +100 basis points	37.06	36.80
Discount rate -100 basis points	41.73	41.41
Salary Increase Rate +1%	41.74	41.44
Salary Increase Rate -1%	37.01	36.73
Attrition Rate +1%	39.48	39.34
Attrition Rate -1%	39.03	38.57

The sensitivity analysis presented above may not be representative of the actual change in the defined 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 defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

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

All amounts are in Rs. In lacs unless otherwise stated

2.31 Financial Instruments

(i) Accounting classifications

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

a) The carrying amounts of trade receivables, cash and cash equivalents, trade payables and others are considered to be the same as their fair values, due to their short-term nature.

b) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values

(ii) Fair Value measurements

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

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

Level 3: unobservable inputs from assets and liability

March 31, 2020

Particulars	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
Financial assets							
Investments							
Investment in other companies	##			##			
Investment in government securities							
Investment in mutual funds							
Trade receivables	134.42			134.42			-
Loans and Advances	540.20			540.20			540.20
Other financial assets	230.78			230.78			-
Cash and cash equivalents	17.07			17.07			-
	922.47			922.47			540.20

Particulars	Carrying Value	Classification		Fair Value		
		FVTPL	Amortised Cost	Level 1	Level 2	Level 3
Financial Liabilities						
Borrowings	400.00		400.00			
Lease Liability	16.40		16.40			
Trade payables	36.48		36.48			
Other financial liabilities	57.01		57.01			
	509.88		509.88			

March 31, 2019

Particulars	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
Financial assets							
Investments							
Investment in other companies	##			##			
Investment in government securities							
Investment in mutual funds							
Trade receivables	353.26			353.26			-
Loans and Advances	1,122.80			1,122.80			1,122.80
Other financial assets	724.70			724.70			-
Cash and cash equivalents	13.96			13.96			-
	2,214.71			2,214.71			1,122.80

Particulars	Carrying Value	Classification		Fair Value		
		FVTPL	Amortised Cost	Level 1	Level 2	Level 3
Financial Liabilities						
Borrowings	515.24		515.24			
Trade payables	433.65		433.65			
Other financial liabilities	146.09		146.09			
	1,094.98		1,094.98			

- Amount indicates less than 49000

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(iii) Financial Risk Management

Credit risk

Exposures to credit risk:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from deposits with banks and financial institutions, as well as from credit exposures to customers, including outstanding receivables and committed transactions with suppliers.
As at balance sheet date, the Company does not have significant concentration of credit risk neither due to size of customers nor due to country risk.

Credit risk management:
The Company has specific policies for managing customer credit risk; these policies factor in the customer's financial position, past experience and other customer specific factors. The Based on the industry practices and business enviroment in which the Company operates, management considers that the trade receivables are in default if the payment are more than two years past due.
Trade receivables consists of large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.
Table showing age of gross trade receivables and movement in expected credit loss allowance :

Age of receivables	As at March 31, 2020	As at March 31, 2019
Within the credit period		
0-90 days past due	113.49	309.22
90-180 days past due	17.06	36.35
180-270 days past due	1.45	1.45
More than 270 days past due	2.45	23.47
	134.45	370.49

Movement in the expected credit loss allowance	Year ended March 31, 2020	Year ended March 31, 2019
Balance at beginning of the year	17.23	17.23
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(17.21)	-
Balance at end of the year	**0.02**	**17.23**

Collateral held as security and other credit enhancements
The Company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.
The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial

As on March 31, 2020	< 1 Year	1 - 5 year	> 5 year	Total
Non-Current borrowings	-	400.00	-	400.00
Current borrowings	-	-	-	-
Finance lease obligation	-	-	-	-
Fixed Deposits payable	-	-	-	-
Financial Guarantee Obligation	-	-	-	-

As on March 31, 2019	< 1 Year	1 - 5 year	> 5 year	Total
Non-Current borrowings	-	400.00	-	400.00
Current borrowings	115.24	-	-	115.24
Finance lease obligation	-	-	-	-
Fixed Deposits payable	-	-	-	-
Financial Guarantee Obligation	-	-	-	-

Market Risk – Interest Rate
The 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 borrows at variable as well as fixed interest rates and the same is managed by the Company by constantly monitoring the trends and expectations. In order to reduce the overall interest cost, the Company has borrowed in a mix of short term and long term loans.

Particulars	March 31, 2020	March 31, 2019
Variable rate borrowings	-	115.24
Fixed rate borrowings	400.00	400.00

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2.32 *Contingent Liabilities & Contingent Assets*

	Year Ended 31-03-2020	Year Ended 31-03-2019
The Company had contingent liabilities in respect of:		
Sales Tax		
FY 2014 - 2015	7.13	7.13
FY 2015 - 2016	20.46	20.46

2.33 **Related Party Transaction**

	Ownership interest as at March, 31 2020	Ownership interest as at March, 31 2019
(a) Holding Company		
Prism Johnson Limited	100%	100%
(b) Subsidiaries		
TBK Venkataramiah Tile Bath Kitchen Private Limited	100%	100%
TBK Rangoli Tile Bath Kitchen Private Limited	100%	100%
TBK Samiyaz Tile Bath Kitchen Private Limited	100%	69.88%
(c) Joint Ventures		
TBK Deepgiri Tile Bath Kitchen Private Limited	50%	50%
TBK Unique Jalgaon Tile Bath Kitchen Private Limited	50%	50%
TBK Prathap Tile Bath Kitchen Private Limited	50%	50%
TBK Florance Ceramics Private Limited	50%	50%
TBK Sanitary Sales Private Limited	50%	50%
TBK Krishna Tile Bath Kitchen Private Limited - (upto - 21/06/2019)	-	50%
TBK Deziner's Home Private Limited - (upto - 24/06/2019)	-	50%
TBK Raj Kamal Tile Bath Kitchen Private Limited - (upto - 24/06/2019)	-	50%
TBK Solan Ceramics Private Limited - (upto - 23/08/2019)	-	50%
TBK Home Trends Private Limited - (upto - 19/10/2019)	-	50%
TBK Rishi Ceramics Private Limited - (upto - 23/10/2019)	-	50%
TBK Aishwarya Tile Bath Kitchen Private Limited - (upto - 24/10/2019)	-	50%
TBK Rathi Sales Agencies Private Limited - (upto - 14/11/2019)	-	50%
TBK Shree Ganesh Traders Private Limited - (upto - 14/11/2019)	-	50%
TBK P B Shah Tile Bath Kitchen Private Limited - (upto - 21/03/2020)	-	50%

(d) Fellow Subsidiary Company
Silica Ceramica Private Limited
Milano Bathroom Fitting Private Limited
RMC Readymix Porselano (India) Limited
Sentini Cermica Private Limited
Antique Marbonite Private Limited
Spectrum Johnson Tiles Private Limited
Small Johnson Floor Tiles Private Limited
Coral Gold Tiles Private Limited

(e) Joint Venture of Holding Company
Ardex Endura (India) Private Limited

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(f) Related Party Transactions

Name of Enterprise	Relationship	Nature of transaction	Amount of transaction in FY 2019-20	Amount outstanding as on 31.03.20 (payable)/ Receivable	Amount of transaction in FY 2018-19	Amount outstanding as on 31.03.19 (payable)/ Receivable
Prism Johnson Limited	Holding Company	Sales of goods & services	233.28	-	233.28	-
		Purchase of goods & services	2,381.38	21.13	2,040.96	228.80
		Schemes, Rebate & Discount Received	27.21	-	28.52	-
		Reimbursement of Expenses Paid	9.24	-	10.94	-
		Reimbursement of Expenses Received	3.64	-	3.11	-
		Rent Expenses	24.68	-	24.68	-
		Interest on Loan taken	36.07	8.06	36.00	86.11
		Loans & Advances Taken	-	400.00	-	400.00
		Deposits Receivable	-	1.75	-	1.75
Others	Subsidiary	Interest Accrued on Loan given	7.45	94.27	17.99	100.57
		Loans & Advances Given	-	190.00	-	190.00
		Sales of goods & services	0.03	-	4.28	-
		Purchase of goods & services	91.57	-	6.88	-
		Reimbursement of Expenses Paid	10.94	69.42	50.59	89.75
		Interest Received	13.00	-	-	-
		Investment	2.50	-	-	-
	Joint Venture	Interest Accrued on Loan given	32.82	210.69	109.06	610.67
		Loans & Advances Given	-	332.04	-	1,027.83
		Loans & Advances Received Back	-	-	23.00	-
		Loans & Advances W/off	466.83	-	344.64	-
		Provision for Loans & Advances	449.13	644.00	219.80	357.23
		Sales of goods & services	0.06	-	6.67	-
		Purchase of goods & services	-	-	1.03	-
		Reimbursement of Expenses	12.77	37.97	16.63	78.82
		Interest Received	10.80	-	21.77	-
		Sales Investment	11.21	-	-	-
Ardex Endura (India) Private Limited	Joint Venture of Holding Co.	Purchase of goods & services	8.08	0.63	-	0.96
Ardex Endura (India) Private Limited	Joint Venture of Holding Co.	Deposit	0.25	0.25	-	-
Sentini Cermica Private Limited	Fellow Subsidiary	Rent Income	0.02	-	0.02	-
		Deposits	-	3.00	-	3.00

2.34 Leases

Operating Lease for Premises: The Lease arrangements, which are cancelable, are for different periods and are renewable by mutual consent on mutally agreeable terms. The Rentals charged to Statement of Profit & Loss amounts to Rs. 102.57 lacs (Previous Year Rs. 56.91 Lacs).

2.35 Segment Reporting:

As the company's business activity falls within a single primary business segment and one geographical segment, the segment information as required under IND AS 108 on " Segement Reporting" is not provided.

2.36 Dis Investment of Joint Ventures

During the year the company has sold the investment in joint ventures and also received amount of Rs 11.21 Lacs to the extent of shares sold.

2.37 Auditor's Remuneration (Excluding GST) :

Particulars	2019 - 2020	2018 - 2019
Statutory Audit Fees	4.00	4.00
Tax Audit Fees	0.75	0.75
Other Services	1.10	1.10

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H. & R. Johnson (India) TBK Ltd.

1.38 Disclosure in Terms of IND AS 116 "Leases" as a Lessee:

1 The Company's lease asset primarily consist of leases for Land, Building and Plant & Machinery having various lease terms. Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognised.

2 The effect of this adoption is insignificant on the profit before tax, profit for the Year and earnings per share. Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

3 **The following is the summary of practical expedients elected on initial application:**
1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17.
4. Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.
5. The Company has elected, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

4 **Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2020**

Particulars	Category of ROU			
	Leasehold Land	Plant & Machinery	Leasehold Buildings	Total
Balance as on April, 2019	-	-	-	-
Transition impact on account of Ind AS 116 " Leases"	-	-	19.85	19.85
Reclassified from property, plant and equipment on account of adoption of Ind AS 116 "Leases"	-	-	-	-
Reclassified from Earnest money and Security Deposits	-	-	-	-
Total Right of Use as on date of Transition	-	-	19.85	19.85
Additions during the year	-	-	-	-
Deletion during the year	-	-	-	-
Depreciation of Right of use assets	-	-	(4.96)	(4.96)
Balance as at March 31, 2020	-	-	14.89	14.89

5 **The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2020:**

Particulars	Year Ended March 31, 2020
Transition impact on account of Ind AS 116 " Leases"	19.85
Reclassified finance lease obligation under Ind AS 17 to lease liabilities on account of adoption of Ind AS 116 "Leases"	-
Additions during the year	-
Finance cost accrued during the year	1.83
Deletions	-
Payment of lease liabilities	(5.28)
Balance as at March 31, 2020	16.40
Current portion of Lease liability	4.36
Non Current portion of Lease liability	12.03
	16.40

6 **An explanation to difference between operating lease commitments as per Ind AS 17 and lease liabilities as per Ind AS 116 as on April 1, 2019 is as below:**
a The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 10%
b. Reconciliation of Leases as Per Ind AS 17 vs Ind AS 116

Particulars	Year Ended April 1, 2019
Lease commitments as at 31 March 2019, discounted using incremental borrowing rate as at the date of initial application	-
Reclassified finance lease obligation under Ind AS 17 to lease liabilities on account of adoption of Ind AS 116 "Leases"	-
Add/(less): contracts reassessed as lease contracts	19.85
Add/(less): adjustments on account of extension/termination	-
Lease liabilities as on 1 April 2019	19.85

7 **Amounts recognised in the statement of cash flows**

Particulars	FY 2019-20
Total cash outflow for leases	5.28

8 Rental expense recorded for short-term leases was Rs. 102.57 Lakhs for the year ended March 31,2020.

9 The maturity analysis of lease liabilities are disclosed below The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Period	Amount in Lakhs
Less than 1 Year	5.81
1 Years to 5 Years	13.35
More than 5 Years	-

KAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

H. & R. Johnson (India) TBK Ltd.

2.39 Proposed Scheme of Amalgamation with parent Company viz Prism Johnson Ltd.

The Board of Directors of the company had approved on October 23, 2019 the Composite Scheme of Arrangement and Amalgamation amongst Prism Johnson Limited ("PJL"), Milano Bathroom Fittings Private Limited ("Milano"), Silica Ceramica Private Limited ("Silica"), TBK Rangoli Tile Bath Kitchen Private Limited ("TBK Rangoli"), TBK Venkataramiah Tile Bath Kitchen Private Limited ("TBK Venkat") and TBK Samiyaz Tile Bath Kitchen Private Limited ("TBK Samiyaz") which has been filed before the NCLT, Hyderabad.

The Company and its wholly owned subsidiaries TBK Rangoli, TBK Venkat and TBK Samiyaz will be demerged entity after scheme is approved and retail / trading business unit will be taken over by PJL. The statutory approvals for the proposed scheme are awaited and no impact of the same has been provided in the financials of the Company for the year ended March 31, 2020

2.40 Note on COVID-19

The World Health Organisation announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been further extended till May 2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management has made assessment of the impact of COVID-19 on the company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements.

Accordingly no adjustments have been made to the financial statements.

As per our report of even date

For Borkar & Muzumdar
Chartered Accountants
FRN : 101569W

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

Deepak Kumar Jain
Partner
M. No : 154390

Place: Mumbai
Date: May 24, 2020

For and on behalf of the Board of Directors of

Dinesh Vyas
Director
DIN: 00490069

Arun Kumar Agarwal
Director
DIN: 06404309

Place: Thane
Date: May 24, 2020

H. & R. Johnson (India) TBK Ltd.

Borkar & Muzumdar
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF H. & R. JOHNSON (INDIA) TBK LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of H. & R. JOHNSON (INDIA) TBK LIMITED (hereinafter referred to as the "Holding Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") and joint ventures ,which comprise the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash flows for the year then ended on that date, 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, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Group and Joint ventures as at March 31, 2020, and its loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion.

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 Consolidated 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 Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's report, including Annexures to Board's Report, but does not include the consolidated financial statements and our auditor's report thereon. The Board's report is expected to be made available to us after the date of this our auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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 total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group and Joint Ventures in in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the Companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group and Joint venture are 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and Joint Ventures are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the 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

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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 Company 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.

Report on Other Legal and Regulatory Requirements

1. As required by the 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 have been relating to preparation of the aforesaid Consolidated financial statements have been kept 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), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the Consolidated Financial Statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards Prescribed under Section 133 of the Act, read with relevant Rules issued thereunder.

   e) On the basis of the written representations received from the Directors of Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries Companies and Joint ventures Companies incorporate in India, none of the directors of the Group Companies and its joint ventures incorporated in India is disqualified as on March 31, 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 and the operating effectiveness of such controls, of the Holding Company and Its Subsidiaries Companies, 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 the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us the provisions of the Section are not applicable to the Company.

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h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 litigation on the consolidated financial position of the Group and its joint ventures. Refer to Note 2.34 to the Consolidated Financial Statements.

ii. The Group and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2020.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group and its joint ventures.

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

CA Deepak Kumar Jain
Partner
UDIN: 20154390AAAAER5782
M.No: 154390

Mumbai
Date: May 24, 2020

ANNEXURE "A" TO THE INDEPENDT AUDITOR'S REPORT

(Referred to in the paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of H. & R. JOHNSON (INDIA) TBK LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 Holding Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of H. & R. JOHNSON (INDIA) TBK LIMITED ("the Holding Company") and its subsidiaries companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiaries Companies, which are Companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 internal financial controls over financial reporting of the Holding Company and its subsidiaries Companies, which are companies incorporated in India, 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") issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial control system over financial reporting of the Holding Company and its Subsidiaries Companies, which are companies incorporated in India.

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Meaning of Internal Financial Controls Over Financial Reporting

The 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, to best of our information and according to the explanation given to us, the Holding Company and its Subsidiaries Companies, which are companies incorporated in India, 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 March 31, 2020, based on the internal control over financial reporting criteria established by the companies 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it does not relate, in respect of five Joint Ventures as included in the Consolidated Financial Statements of the Holding Company.

Ministry of Corporate affairs vide Notification Number G.S.R. 583(E) dated June 13th, 2017 has granted exemption from the applicability of reporting under Section 143(3)(i) of the Act to the prescribed class of Private Limited Companies, therefore aforesaid report does not include any report under Section 143(3)(i) of the Act as all these Joint Ventures Companies are being covered in the exemption granted under said Notification.

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

CA Deepak Kumar Jain
Partner
UDIN: 20154390AAAAER5792
M.No: 154390

Mumbai
Date: May 24, 2020

H. & R. Johnson (India) TBK Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

1. Company overview and Significant Accounting Policies

1.1 Company Overview

H. & R. Johnson (India) TBK Limited ("The Company) along with it's subsidiaries and Joint Ventures is in business of trading in Tiles, Bathroom Fittings, Kitchen & Branded Tiles Display Unit, having Retail outlets across the nation.

H. & R. Johnson (India) TBK Limited ("The Company) along with it's subsidiaries and Joint Ventures is hereinafter referred to as "the Group".

The Company is a Public Limited Company incorporated and domiciled in India and has registered office in Mumbai, Maharashtra (India).

Authorization of Consolidated financial statements

The Group Consolidated Financial Statements were approved for issue in accordance with a resolution of the directors on May 24, 2020.

Summary of significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the presentation of the standalone financial statements.

1.2 Basis of Preparation

These Consolidated financial statements are prepared in accordance with the Indian Accounting Standards ("Ind AS") under the historical cost convention on the accrual basis except certain financial instruments are measured at fair values, the provisions of the Companies Act, 2013 ("the Act") (to the extent notified). The Indian Accounting Standards ("Ind AS") are notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All amounts disclosed in the financial statement and notes have been rounded off to the nearest digits, except where otherwise indicated.

1.3 Basis of consolidation and equity accounting

The Parent consolidated entities which it owns or controls. The Consolidated financial statements comprise the financial statements of the Parent, its controlled joint venture entities and it's subsidiaries as disclosed in Note 2.32. Control exists when the parent has the power over the entity, is exposed or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give ability to direct relevant activities, those which significantly affect the entity's returns.

Subsidiaries

Subsidiaries are consolidated from the date control commences until the date control ceases. Subsidiaries are all entities (including structured entities) over which the group has control. The acquisition method of accounting is used to account for business combinations by the group.

The Financial statements of Group entities are consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain/loss from such transactions, are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-Controlling interest which presents part of net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Parent, are excluded.

Joint Ventures

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has only joint ventures.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated Balance Sheet.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognize the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group's does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1.10 below.

Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control, as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities.

This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

H. & R. Johnson (India) TBK Ltd.

1.4 Use of judgements, estimates & assumptions

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgement and assumptions These estimates, judgments and assumptions affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, the disclosure of contingent asset and liabilities at the date of financial statements and reported amounts of revenue and expenses during the period. The Application of accounting Policies that require critical accounting estimates involving complex and subjective judgement and the use of assumptions in these financial statements have been disclosed in Note 1.5. Accounting Estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of such changes in the circumstances surrounding the estimates. Changes in estimate are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

1.5 Critical Accounting Estimates

a) The useful lives of, or expected pattern of consumption of the future economic benefits embodied in, depreciable assets;
b) Valuation of inventories and Inventory obsolescence;
c) Contingencies.

1.6 Revenue Recognition

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, when all the following conditions are satisfied:

- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns and allowances, trade discounts and volume rebates but does not include Goods and Service Tax (GST).

1.7 Business combinations

Business combinations have been accounted for using the acquisition method under the Provision of Ind AS 103, Business Combinations. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

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H. & R. Johnson (India) TBK Ltd.

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a group.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.

The financial information in the standalone financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the standalone financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

1.8 Goodwill

Goodwill represents the cost of business acquisition in excess of the Group's Interest in the Net fair value of identifiable assets, liabilities and contingent liabilities of acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisitions, a gain is recognised immediately in the net profit in the Statement of Profit and Loss. Goodwill is measured at cost less accumulated impairment loss.

1.9 Property, Plant and equipment

a) Property, plant and equipment are stated at historical cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period to get ready for their intended use, finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

b) When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Cost of major inspection is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of Profit or Loss as incurred.

c) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net realisable value and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

d) The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted prospectively.

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e) The Group depreciates Property, Plant & Equipment over their estimated useful lives using the straight-line method. The estimated useful lives of the Asset are as follows:

Assets	Useful life of asset
Sign Boards	9 Years
Office Equipment	5 Years
Computer Equipment	3 Years
Furniture and fixtures	10 years
Vehicles	8 years
Plant & Machinery	15 years
Lease Improvements	Over the period of Lease

f) All assets costing up to Rs. 5,000/-, are fully depreciated in the year of capitalization.

1.10 Impairment of Assets

a) **Financial Asset**

The Group recognise loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial asset, ECLs are measured at amount equal to the 12 Month EC, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The Amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amounts that is required to be recognised as an impairment gain or loss in profit or loss.

b) **Non-Financial Asset**

Carrying amount of Tangible and Intangible Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group assets (cash-generating units). Non- financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

c) **Goodwill**

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans, and future cash flows. For the purpose of impairment testing, goodwill acquired in business combinations is allocated to the Group's assets expected to benefit from the synergies arsing from the business combinations.

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Impairment occurs when the carrying amount of a Assets, including the goodwill, exceeds the estimated recoverable amount of the assets. The recoverable amount of a assets is the higher of its fair value less cost to sell and its value in use. Value in use is the present value of future cash flows expected to be derived from the assets.

Total impairment loss of assets is allocated first to reduce the carrying amount of goodwill allocated to the assets and then to the other assets on the basis of the carrying amount of each asset. An impairment loss on goodwill is recognized in net profit in the statement of Profit and Loss and is not reversed in subsequent period.

1.11 Inventories

Stock-in-Trade is valued at lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

1.12 Financial Instruments

a) **Initial Recognition**

The Group recognizes financial asset and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial asset and liabilities are recognised at fair value on initial recognition, except for trade receivable which are initially measured at transaction price. Transaction cost that are directly attributable to the acquisition or issue of financial asset and financial liabilities that are not fair value through Profit or loss, are added to the fair value on initial recognition.

b) **Subsequent Measurement**

(i). Financial asset at Amortized cost

A Financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal outstanding.

(ii). Financial Asset at Fair Value through other comprehensive income

Financial Asset is subsequently measured through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial asset and contractual terms of the financial asset give rise on specified dates to the cash flows that are solely payments of principle and interest on the principle amount outstanding. Further in cases where the group has made irrevocable election based on its business model, for its investment which are classified as equity instruments, The subsequent changes in fair value are recognized in other comprehensive income.

(iii). Financial Asset at Fair value through Profit & Loss

A Financial Asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

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(iv). Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For Trade and other Payables maturing within one year form the balance sheet date, carrying amount approximate fair value due to the short maturity of these instruments.

(v). Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

c) **Derecognition**

The group derecognise a financial asset when the contractual right to the cash flows from the financial asset expire or it transfer the financial asset and the transfer qualifies for derecognition under Ind AS 109. A Financial Liability (or a part of financial Liability) is derecognised from the group Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

1.13 Provisions, Contingent liabilities, Contingent Assets

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the group recognizes any impairment loss on the assets associated with that contract.

Contingent liabilities are disclosed in the case of:

- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from the past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

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Contingent Liabilities in respect of show-cause notices are considered only when converted into demands.

Contingent Assets is disclosed when inflow of economic benefits is probable.

1.14 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 asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

The Group ceases capitalizing borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

1.15 Foreign currency translation

a) **Functional and presentation currency**

The functional currency of the Group is the Indian rupee. These financial Statements are presented in Indian Rupees (Rounded off to Lacs).

b) **Transactions, Translation and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains / (losses).

Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.16 Earnings Per Share

Basic earnings per equity share are computed by dividing the net profit attributable to the Equity shareholders of the Group by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

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1.17 Taxes on Income

Current Tax

Current Income Tax for the current and prior period is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rate and tax laws that have been enacted or substantively enacted by the Balance sheet date.

Current tax is recognized in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively. Where current tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets 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 deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.18 Employee benefit

a) <u>Gratuity</u>

The Group provided for gratuity, a defined benefit plan ("the Gratuity Plan") covering eligible employees. The Gratuity plan provides to vested employees a lump sum payment on retirement, death, termination of the employment, of an amount based on the respective employee's salary and the tenure of the employment with the Group.

The liability with regard to the Gratuity plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method, or

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asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The Group recognizes the net obligation of the defined benefit plan in its balance sheet as a liability.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in statement of profit or loss as past service cost.

b) **Provident Fund**

Eligible employees of the group receive benefits from a provident fund, which is a defined benefit plan. Both the Eligible Employees and the group make monthly contributions to the provident fund plan equal to a specified percentage of covered employee's salary. The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The contributions are recognised as employee benefit expense when they are due.

c) **Employee's State Insurance Corporation**

Eligible employees of the group receive benefits from a ESIC, which is a defined Contribution plan. The Eligible Employees make monthly contributions to the Employee's State Insurance Corporation plan equal to a specified percentage of covered employee's salary. The group pays ESIC contributions to publicly administered ESIC as per local regulations. The contributions are recognized as employee benefit expense when they are due.

d) **Compensated Absence**

The Group has a policy on compensated absences such as Paid Leaves, Sick leaves and casual leaves which are both accumulating and Non-Accumulating. Liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

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1.19 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown with in borrowings in current liabilities in the Balance Sheet.

1.20 Dividend

The Final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the group Board of Directors.

1.21 Other Income

Other income is comprised primarily of Interest income, dividend income, exchange gain/loss on translation of other asset and liabilities. Dividend income is recognised when the right to receive the payment is established.

1.22 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.
The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April 2019. The Company also elected to use the recognition exemptions for lease contracts.
The Company assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.
If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

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Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

1.23 Fair Vale Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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:

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

H. & R. JOHNSON (INDIA) TBK LIMITED

CIN : U46200MH1996PLC101692

Registered Office : Windsor, 7th Floor, CST Road, Kalina, Santacruz (East) Mumbai - 400 098

STATEMENT OF CONSOLIDATED ASSETS & LIABILITIES FOR THE YEAR ENDED MARCH 31, 2020

₹ in Crores

Sr. No.	Particulars	Audited	
		Year Ended as at	
		31-Mar-20	31-Mar-19
A	**ASSETS**		
1	**Non Current Assets :**		
(a)	Property, Plant and Equipment	0.56	0.55
(b)	Goodwill	0.58	0.26
(c)	Financial Assets		
(i)	Investments	4.36	4.67
(ii)	Loans	3.56	5.17
(iii)	Others	1.21	2.54
(d)	Deferred Tax Assets (net)	0.54	0.63
(e)	Other non-current assets	1.11	1.63
	Total	11.91	15.46
2	**Current Assets :**		
(a)	Inventories	1.38	4.01
(b)	Financial Assets		
(i)	Trade receivables	1.76	4.19
(ii)	Cash and cash equivalents	0.19	0.18
(iii)	Bank balances other than (ii) above	0.03	0.00
(iv)	Others	0.09	0.78
(c)	Other current assets	0.32	1.27
	Total	3.78	10.43
	Total Assets	15.70	25.89
B	**EQUITY AND LIABILITIES**		
1	**Equity :**		
(a)	Equity Share Capital	1.61	1.61
(b)	Other Equity	5.23	8.30
(c)	Non Controlling Interest	0.00	0.09
	Total	6.84	10.01
2	**Liabilities :**		
I	**Non Current Liabilities :**		
(a)	Financial Liabilities		
(i)	Borrowings	4.00	4.00
(ii)	Lease Liability	0.12	0.00
(iii)	Other financial liabilities (other than those specified in (b) below)	0.03	0.03
(b)	Provisions	0.59	0.72
(c)	Other non-current liabilities	0.00	0.00
	Total	4.74	4.75
II	**Current Liabilities :**		
(a)	Financial Liabilities		
(i)	Borrowings	0.00	1.81
(ii)	Lease Liability	0.04	0.00
(iii)	Trade payables	2.35	6.71
(iv)	Other financial liabilities (other than those specified in (c) below)	0.62	1.56
(b)	Other current liabilities	0.73	0.62
(c)	Provisions	0.38	0.43
(d)	Current Tax Liabilities	0.00	0.00
	Total	4.12	11.13
	Total Equity and Liabilities	15.70	25.89

Note :

1 Figures of the previous year have been regrouped wherever necessary.

For Borkar & Muzumdar
Chartered accountants
(Firm Registration No. 101569W)

Deepak Kumar Jain
Partner
M. No : 154390

Place : Mumbai
Date : May 24, 2020

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
H. & R. Johnson (INDIA) TBK Ltd

Dinesh Vyas
Director
DIN - 02550960

Arun Kumar Agarwal
Director
DIN - 06404309

Place : Thane
Date : May 24, 2020

H. & R. Johnson (India) TBK Ltd.

H. & R. JOHNSON (INDIA) TBK LIMITED

CIN : U46200MH1996PLC103092

Registered Office : Windsor, 7th Floor, CST Road, Kalina, Santacruz (East) Mumbai - 400 098

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

₹ in Crores

Sr. No.	Particulars	Consolidated Quarter Ended			Consolidated Year Ended	
		31-Mar-20 Audited	31-Dec-19 Unaudited	31-Mar-19 Audited	31-Mar-20 Audited	31-Mar-19 Audited
1	**Revenue from operations :**					
(a)	Net Sales	7.63	10.03	11.70	36.82	38.76
(b)	Other Operating Income	-	-	0.23	0.01	0.23
2	Other Income	0.26	0.66	0.49	1.58	1.42
3	**Total Income**	7.89	10.69	12.42	38.41	40.41
4	**Expenses :**					
(a)	Cost of materials consumed	-	-	-	-	-
(b)	Purchases of stock-in-trade	6.02	7.09	9.87	27.95	31.35
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	0.02	1.02	(0.38)	2.62	(0.77)
(d)	Power & fuel	-	-	-	-	-
(e)	Freight outward	0.07	0.07	0.13	0.37	0.26
(f)	Excise Duty	-	-	-	-	-
(g)	Other manufacturing expenses	-	-	-	-	-
(h)	Employee benefits expense	1.23	1.10	1.46	4.86	5.69
(i)	Finance costs	0.09	0.10	0.13	0.44	0.49
(j)	Depreciation and amortisation expense	0.04	0.04	0.03	0.15	0.13
(k)	Impairment loss on financial assets	0.05	(2.55)	2.15	1.21	5.05
(l)	Other expenses	0.53	1.93	0.68	3.80	2.59
5	**Total Expenses**	8.05	6.80	14.07	41.40	44.79
6	**Profit from ordinary activities before Share in Profit of Associates & Joint Ventures, Exceptional items & Tax**	(0.16)	1.89	(1.65)	(2.99)	(4.38)
7	Share of Profit of Associates & Joint ventures accounted by using the equity method	(0.16)	(0.38)	(0.46)	(0.41)	(1.90)
8	Exceptional Items : Indirect Tax adjustments for earlier years (net)	-	-	-	-	-
9	**Profit from ordinary activities before Tax**	(0.32)	1.51	(2.11)	(3.40)	(6.28)
10	**Tax expenses**					
	Current Tax	-	-	-	-	-
	Deferred Tax	(0.01)	0.04	0.02	0.09	0.10
11	**Net Profit for the period after Tax**	(0.31)	1.47	(2.13)	(3.49)	(6.38)
	Non-controlling Interest (on net profit/loss for the period)	-	0.02	(0.06)	(0.39)	(0.19)
	Net Profit / (Loss) after tax and Non-controlling Interest (net of tax)	(0.31)	1.45	(2.07)	(3.10)	(6.19)
12	**Other Comprehensive Income (net of tax)**					
	Items that will not be re-classified to Profit / (Loss)	0.01	0.02	(0.03)	0.02	(0.03)
	Items that will be re-classified to Profit / (Loss)	-	-	-	-	-
	Other Comprehensive Income / (Loss) for the period	0.01	0.02	(0.03)	0.02	(0.03)
	Non-controlling Interest (Other Comprehensive Income)	-	-	-	-	-
	Other Comprehensve Income after Non-controlling Interest (net of tax)	-	-	-	-	-
13	**Total Comprehensive Income for the period comprising Profit and Other Comprehensive Income for the period**	(0.30)	1.49	(2.16)	(3.47)	(6.41)
	Total Non - Controlling Interest	-	0.02	(0.06)	(0.39)	(0.19)
	Total Comprehensive Income for the period after Non-controlling Interest comprising Profit and Other Comprehensive Income for the period	(0.30)	1.47	(2.10)	(3.08)	(6.22)
14	Paid-up Equity Share Capital (Face value ₹ 100/- per share)	1.61	1.61	1.61	1.61	1.61
15	Other Equity				5.23	8.30
16	Net Worth				6.84	9.91
17	Earning Per Share - (Basic, diluted and not annualised) (₹)	(19.25)	90.05	(128.66)	(192.52)	(384.42)

Notes :

1 Results for the quarter and year ended March 31, 2020 and for the quarter ended December 31, 2019 are in compliance with Indian Accounting Standard (Ind AS). The results for the quarter and year ended March 31, 2019 have been restated to comply with Ind AS.

2 Figures for the previous periods have been regrouped wherever necessary

For Borkar & Muzumdar
Chartered accountants
(Firm Registration No. 101569W)

Deepak Kumar Jain
Partner
M. No : 154390

BORKAR & MUZUMDAR
MUMBAI
F.R. NO.
101569W
CHARTERED ACCOUNTANTS

Place : Mumbai
Date : May 24, 2020

For and on behalf of the Board of Directors
H. & R. Johnson (INDIA) TBK Ltd

Dinesh Vyas
Director
DIN - 02550960

Arun Kumar Agarwal
Director
DIN - 06404309

H. & R. Johnson (India) TBK Ltd.

Place : Thane
Date : May 24, 2020

H. & R. JOHNSON (INDIA) TBK LIMITED
Consolidated Balance Sheet as at March 31, 2020
All amounts are in Rs. In lacs unless otherwise stated

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	2.01	56.12	56.68
Goodwill	2.02	57.67	25.97
Financial assets			
Investments	2.03	435.61	460.96
Trade Receivables	2.04		-
Loans	2.05	356.11	517.15
Other financial assets	2.06	121.12	253.82
Deferred tax assets (Net)	2.07	53.67	63.35
Other non-current assets	2.08	110.95	163.39
Total non-current assets		**1,191.26**	**1,545.32**
Current Assets			
Inventories	2.09	138.45	400.76
Financial Assets			
Investments		-	-
Trade Receivables	2.04	176.14	418.96
Cash and cash equivalents	2.10	19.12	17.70
Bank balances other than 2.10 above	2.10	3.00	-
Loans	2.05	-	-
Other financial assets	2.06	9.27	78.93
Current tax assets (Net)		-	-
Non-current assets classified as held for sale		-	-
Other current assets	2.08	32.33	127.09
Total current assets		**378.31**	**1,043.44**
Total assets		**1,569.57**	**2,588.76**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	2.11	161.02	161.02
Other Equity	2.12	522.56	830.27
Non Controlling Interest		-	9.47
Total equity		**683.58**	**1,000.75**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	2.13	400.00	400.00
Lease Liability	2.14	12.03	-
Trade payables	2.15	-	-
Other financial liabilities	2.16	3.00	3.00
Provisions	2.17	59.34	72.06
Deferred tax liabilities (Net)	2.07	-	-
Other non-current liabilities	2.18	-	-
Total non-current liabilities		**474.37**	**475.06**
Current liabilities			
Financial Liabilities			
Borrowings	2.13	-	180.73
Lease Liability	2.14	4.36	-
Trade payables	2.15		
Total outstanding dues of Micro & Small Enterprises		-	40.69
Total outstanding dues of Creditors other than Micro & Small Enterprises		234.67	629.86
Other financial liabilities	2.16	61.63	156.38
Other current liabilities	2.18	72.79	62.33
Provisions	2.17	38.16	42.96
Current Tax Liabilities (Net)			
Total current liabilities		**411.62**	**1,112.95**
Total equity and liabilities		**1,569.57**	**2,588.76**

Accompanying notes form an integral part of the Consolidated financial Statements 1

As per our report of even date

For Borkar & Muzumdar
Chartered Accountants
FRN : 101569W

Deepak Kumar Jain
Partner
M. No : 154390

Place : Mumbai
Date : May 24, 2020

BORKAR & MUZUMDAR
MUMBAI
F.R. NO.
101569W
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Dinesh Vyas
Director
DIN 02550966

Arun Kumar Agarwal
Director
DIN: 06404309

Place : Thane
Date : May 24, 2020

H. & R. Johnson (India) TBK Ltd.

H. & R. JOHNSON (INDIA) TBK LIMITED
Consolidated Statement of Profit & Loss for the year ended March 31, 2020
All amounts are in Rs. In lacs unless otherwise stated

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations	2.19	3,682.70	3,899.44
Other income	2.20	157.54	141.89
Total Income		**3,840.24**	**4,041.33**
Expenses			
Purchase of stock-in-trade	2.21	2,794.65	3,135.11
Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.22	262.31	-76.82
Employee benefits expense	2.23	485.93	568.52
Finance costs	2.24	44.07	48.52
Depreciation and amortization expense	2.25	15.34	12.64
Impairment loss on financial assets	2.26	121.00	504.70
Other expenses	2.27	416.42	284.24
Total Expenses		**4,139.72**	**4,476.92**
Profit / (loss) before exceptional items, share of net profits of investments accounted for using equity method and tax		-299.47	-435.59
Share of profit / (loss) of joint ventures		**-40.53**	**-190.19**
Profit / (loss) before exceptional items and tax		-340.00	-625.78
Exceptional items			
Profit / (loss) before tax		**-340.00**	**-625.78**
Tax expenses	2.28		
Current tax			-
Deferred tax		8.82	9.91
		8.82	**9.91**
Profit / (loss) for the year from continuing operations		**-348.82**	**-635.69**
Profit / (loss) for the year from discontinued operations before tax		-	-
Tax expense of discontinued operations		-	-
Profit / (loss) for the year from discontinued operations (after tax)		-	-
Profit/ (loss) for the year		**-348.82**	**-635.69**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		3.31	-2.95
Income tax / Deffered tax recognised in other comprehensive income		0.86	-
Total other comprehensive income		2.45	-2.95
Total comprehensive income for the year		**-346.37**	**-638.64**
Profit for the year attributable to			
Owners of the Parent		-310.15	-616.44
Non-controlling interests		-38.67	-19.25
		-348.82	-635.69
Other comprehensive income for the year attributable to :			
Owners of the Parent		2.45	-2.95
Non-controlling interests		-	-
		2.45	-2.95
Total comprehensive income for the year attributable to :			
Owners of the Parent		-307.70	-619.39
Non-controlling interests		-38.67	-19.25
		-346.37	-638.64
Earnings per equity share (for continuing operations) :	2.29		
Basic (in Rs.)		-192.62	-382.83
Diluted (in Rs.)		-192.62	-382.83
Earnings per equity share (for discontinued and continuing operations) :			
Basic (in Rs.)		-192.62	-382.83
Diluted (in Rs.)		-192.62	-382.83
Accompanying notes form an integral part of the Consolidated financial Statements	1		

As per our report of even date

For Borkar & Muzumdar
Chartered Accountants
FRN : 101569W

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

Deepak Kumar Jain
Partner
M. No : 154390

Place : Mumbai
Date : May 24, 2020

For and on behalf of the Board of Directors

H. & R. Johnson (India) TBK Ltd.

Dinesh Vyas
Director
DIN: 02550960

Arun Kumar Agarwal
Director
DIN: 06404309

Place : Thane
Date : May 24, 2020

H. & R. JOHNSON (INDIA) TBK LIMITED

Consolidated Cash Flow Statement for the year ended March 31, 2020

	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from operating activities		
Profit Before Tax from Continuing Operations	-340.00	-435.59
Profit Before Tax from Discontinuing Operations		
Profit before income tax including discontinued operations	**-340.00**	**-435.59**
Non-cash Adjustment to Profit Before Tax:		
Depreciation and amortization expense	15.34	12.64
Impairment loss on financial assets	121.00	501.70
Net Gain / Loss on Sale of Investments	109.54	
Actuarial gain/(loss) on defined benefit obligation	-2.45	-
Loss on disposal of property, plant and equipment	0.12	1.24
Interest on Preference Shares	-2.38	
Share of profit / Loss of JV	40.53	-
Finance costs	44.07	48.52
Bad Debts	18.25	-
Interest Income	-60.54	-
Other Adjustments	-	-92.09
	288.34	**475.09**
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	243.29	-206.64
Decrease/(increase) in inventories	262.31	-76.82
Increase/(decrease) in trade payables	-435.88	106.77
Decrease/(increase) in other financial assets	26.25	-6.28
Decrease/(increase) in other non-current assets	52.44	26.61
Increase/(decrease) in Non Controlling Interest	-0.01	-
Decrease/(increase) in other current assets	94.77	-19.04
Increase/(decrease) in provisions	-16.65	-36.79
Increase/(decrease) in other financial liabilities	-94.74	15.58
Increase/(decrease) in other current liabilities	10.46	7.34
	142.23	**-189.26**
Cash generated from operations	**90.61**	**-149.76**
Direct taxes paid (net of refunds)		-
Net cash flow from/(used in) operating activities (A)	**90.61**	**-149.76**
Cash flow from investing activities		
Payments for acquisition of property, plant and equipment	-0.27	-9.08
Repayment of Rental Deposits	-8.23	
Proceeds from sale of investments	11.21	1.50
Proceeds from sale of property, plant and equipment	3.71	-
Investment in Bank Fixed Deposit	-3.00	
Payments for acquisition of subsidaries	-2.50	
Interest received	60.55	20.13
Repayment of loans by related parties	78.16	34.67
Net cash flow from/(used in) investing activities (B)	**139.06**	**47.22**
Cash flows from financing activities		
Proceeds from borrowings	-	121.97
Repayments of borrowings	-180.73	-
Finance lease payments	-3.45	-
Interest paid	-44.07	-48.52
Net cash flow from/(used in) in financing activities (C)	**-228.25**	**73.45**
Net increase/(decrease) in cash and cash equivalents (A+B+ C)	1.42	-29.09
Effect of exchange differences on cash & cash equivalent held in foreign currency	-	
Cash and cash equivalents at the beginning of the year	17.70	46.79
Cash and cash equivalents at the end of the year	**19.12**	**17.70**
Reconciliation of cash and cash equivalents as per the cash flow statement :		
Cash and cash equivalents	19.12	17.70
Bank overdrafts		
Balance as per the cash flow statement :	**19.12**	**17.70**

As per our report of even date

For Borkar & Muzumdar
Chartered Accountants
FRN : 101569W

BORKAR & MUZUMDAR
MUMBAI
F.R. NO.
101569W
CHARTERED ACCOUNTANTS

Deepak Kumar Jain
Partner
M. No : 154390

Place : Mumbai
Date : May 24, 2020

For and on behalf of the Board of Directors

Dinesh Vyas
Director
DIN: 02550960

Arun Kumar Agarwal
Director
DIN: 06404309

Place : Thane
Date : May 24, 2020

H. & R. JOHNSON (INDIA) TBK LIMITED
Consolidated Statement of changes in equity for the year ended March 31, 2020
All amounts are in Rs. in lacs unless otherwise stated

Particulars	Equity Share Capital	Other Equity				Amount attributable to Owners of the parent	Non-controlling interests	Total Equity Attributable to Equity Shareholder
		Reserves and Surplus		Items of Other Comprehensive Income				
		Capital reserve	Retained earnings	Remeasurements of the defined benefit plans	Items of Other Comprehensive Income			
Balance as at March 31,2019	161.02	4,199.56	-3,380.03	10.73	-	991.29	9.47	1,000.75
Any other change (to be specified)	-	-	-	-	-	-	-	-
Balance at March 31, 2019	161.02	4,199.56	-3,380.03	10.73	-	991.29	9.47	1,000.75
Changes in Equity for the period ended March 2020								
Profit / Loss for the year	-	-	-310.15	-	-	-310.15	-38.67	-348.82
Remeasurements of the Net defined benefit Liability/Asset, Net of Tax effect	-	-	-	2.45	-	2.45	-	2.45
Reversal of Previously recognized loss of Dis continued Jv's	-	-	-	-	-	-	-	-
Control Acquisition from Minority Shareholders							29.20	29.20
Balance as at March 31, 2020	161.02	4,199.56	-3,690.18	13.18	-	683.58	-0.00	683.58
Any other change (to be specified)	-	-	-	-	-	-	-	-
Balance at March 31, 2020	161.02	4,199.56	-3,690.18	13.18	-	683.58	-0.00	683.58

See accompanying notes to the consolidated financial statements 1

As per our report of even date

For Borkar & Muzumdar
Chartered Accountants
FRN : 101569W

Deepak Kumar Jain
Partner
M. No : 154390

Place : Mumbai
Date : May 24, 2020

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Dinesh Vyas
Director
DIN: 02550960

Arun Kumar Agarwal
Director
DIN: 06404309

Place : Thane
Date : May 24, 2020

H. & R. Johnson (India) TBK Ltd.

H. & R. JOHNSON (INDIA) TBK LIMITED
Notes to Consolidated Financial Statements for the year ended Mar 31, 2020
All amounts are in Rs. in lacs unless otherwise stated

2.01 Property, plant and equipment :

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2019	Addition	Disposal	Acquisition through business combinations	As at Mar 31, 2020	As at April 1, 2019	For The Year	Elimination on disposal	Acquisition through business combinations	As at Mar 31, 2020	As at Mar 31, 2020	As at March 31, 2019
Own Assets:												
Land - Freehold	3.38	-	-	-	3.38	-	-	-	-	-	3.38	3.38
Plant and Machinery	13.83	-	1.94	-	11.89	4.53	1.15	0.92	-	4.76	7.13	9.30
Office Equipment	8.83	0.19	0.11	-	8.91	6.44	0.63	0.02	-	7.05	1.86	2.39
Computers	11.96	0.01	0.01	-	11.97	9.88	0.64	-	-	10.52	1.45	2.08
Leasehold Improvement	82.62	-	-	-	82.62	75.62	1.26	-	-	76.88	5.74	7.00
Furniture & Fixtures	103.32	0.07	5.60	-	97.80	73.53	6.69	4.11	-	76.12	21.67	29.79
Sign Board	0.70	-	-	-	0.70	0.70	-	-	-	0.70	0.00	0.00
Motor Vehicles	2.39	-	2.39	-	-	1.66	-	1.66	-	-	-	0.73
Total (A)	227.03	0.27	10.04	-	217.27	172.36	10.38	6.71	-	176.03	41.24	54.68
Right of Use Assets:												
Building	-	19.85	-	-	19.85	-	4.96	-	-	4.96	14.89	-
Total (B)	-	19.85	-	-	19.85	-	4.96	-	-	4.96	14.89	-
Total (A+B)	227.03	20.12	10.04	-	237.12	172.36	15.34	6.71	-	180.99	56.12	54.68

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2018	Addition	Disposal	Acquisition through business combinations	As at March 31, 2019	As at April 1, 2018	For The Year	Elimination on disposal	Acquisition through business combinations	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Own Assets:												
Land - Freehold	3.38	-	-	-	3.38	-	-	-	-	-	3.38	3.38
Plant and Machinery	13.83	-	-	-	13.83	3.32	1.21	-	-	4.53	9.30	10.51
Office Equipment	8.51	0.32	-	-	8.83	5.69	0.74	-	-	6.44	2.39	2.82
Computers	11.39	0.57	-	-	11.96	8.48	1.40	-	-	9.88	2.08	2.91
Leasehold Improvement	78.97	6.97	3.33	-	82.62	75.35	2.41	2.13	-	75.62	7.00	3.63
Furniture & Fixtures	102.24	1.22	0.14	-	103.32	66.79	6.85	0.10	-	73.53	29.79	35.45
Sign Board	0.70	-	-	-	0.70	0.70	-	-	-	0.70	0.00	0.00
Motor Vehicles	2.39	-	-	-	2.39	1.62	0.04	-	-	1.66	0.73	0.77
Total	221.42	9.08	3.46	-	227.03	161.95	12.64	2.23	-	172.36	54.68	59.47

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

H. & R. Johnson (India) TBK Ltd.

H. & R. JOHNSON (INDIA) TBK LIMITED
Notes to Consolidated Financial Statements for the year ended Mar 31, 2020
All amounts are in Rs. In lacs unless otherwise stated

2.02 Goodwill :

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2019	Addition	Disposal	Acquisition through business combinations	As at Mar 31, 2020	As at April 1, 2019	For the Year	Elimination on disposal	Acquisition through business combinations	As at Mar 31, 2020	As at Mar 31, 2020	As at March 31, 2019
Goodwill	25.97	31.70	-		57.67	-	-	-	-	-	57.67	25.97
Total	25.97	31.70	-	-	57.67	-	-	-	-	-	57.67	25.97

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2018	Addition	Disposal	Acquisition through business combinations	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	Acquisition through business combinations	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Goodwill	25.97	-	-		25.97	-	-	-	-	-	25.97	25.97
Total	25.97	-	-	-	25.97	-	-	-	-	-	25.97	25.97

H. & R. JOHNSON (INDIA) TBK LIMITED
Notes to Consolidated Financial Statements for the period ended Mar 31, 2020
All amounts are in Rs. In lacs unless otherwise stated

2.03 Investments	As at March 31,			
	2020		2019	
	Qty	Amount	Qty	Amount
Break-up of investments in Joint Ventures (carrying amount determined using the equity method of accounting) :				
Unquoted Investments (all fully paid)				
Investments in Equity Instruments				
TBK Deepgiri Tile Bath Kitchen Private Limited	50,000	197.30	50,000	185.06
TBK Deziner's Home Private Limited	-	-	25,000	-
TBK Florance Ceramics Private Limited	1,55,000	237.94	1,55,000	253.49
TBK Home Trendz Private Limited	-	-	5,000	-
TBK Krishna Tile Bath Kitchen Private Limited	-	-	5,000	-
TBK P B Shah Tile Bath Kitchen Private Limited	-	-	50,000	-
TBK Rishi Ceramics Private Limited	-	-	5,000	27.42
TBK Unique Jalgaon Tile Bath Kitchen Private Limited	5,000	-	5,000	0.92
TBK Aishwarya Tile Bath Kitchen Private Limited	-	-	5,000	-
TBK Prathap Tile Bath Kitchen Private Limited	5,000	-	5,000	-
TBK Raj Kamal Tile Bath Kitchen Private Limited	-	-	5,000	-
TBK Rathi Sales Agencies Private Limited	-	-	5,000	-
TBK Sanitary Sales Private Limited	5,000	-	5,000	-
TBK Shree Ganesh Traders Private Limited	-	-	5,000	-
TBK Solan Ceramics Private Limited	-	-	5,000	-
(A)		435.24		466.88
Quoted				
Equity Shares of Asian Paints Limited	10	0.00	10	0.00
Equity Shares of Berger Paints India Limited	22	0.00	22	0.00
Equity Shares of Cera Sanitaryware Limited	2	0.00	2	0.00
Equity Shares of Kansai Nerolac Paints Limited	20	0.00	20	0.00
Equity Shares of La Opala RG Limited	20	0.00	20	0.00
Equity Shares of Madhav Marbles & Granites Limited	1	0.00	1	0.00
Equity Shares of Saint-Gobain Sekurit India Limited	1	0.00	1	0.00
Equity Shares of SIL Business Enterprises Limited	1	0.00	1	0.00
(B)		0.01		0.01
Un quoted				
Reddy Ceramics Private Limited	100	0.01	100	0.01
TBK Shri Ram Tile Bath Kitchen Private Limited	500	0.05	500	0.05
TBK Tile Home Private Limited	100	0.01	100	0.01
TBK Raj Kamal Tile Bath Kitchen Private Limited	100	0.01	-	-
TBK Deziner's Home Private Limited	500	0.05	-	-
TBK Solan Ceramics Private Limited	100	0.01	-	-
TBK Krishna Tile Bath Kitchen Private Limited	100	0.01	-	-
TBK Shree Ganesh Traders Private Limited	100	0.01	-	-
TBK P B Shah Tile Bath Kitchen Private Limited	2,600	0.26	-	-
(C)		0.36		0.07
Total Investment Carrying value (A+B+C)		435.61		466.96
Aggregate book value of quoted investments		0.01		0.01
Aggregate book value of Unquoted investments		435.60		466.95
Aggregate market value of quoted investments		0.43		0.42

BORKAR & MUZUMDAR
MUMBAI
F. R. NO.
101569W
CHARTERED ACCOUNTANTS

H. & R. Johnson (India) TBK Ltd.

H. & R. JOHNSON (INDIA) TBK LIMITED
Notes to Consolidated Financial Statements for the period ended Mar 31, 2020
All amounts are in Rs. In lacs unless otherwise stated

2.04 Trade Receivables	Non Current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Trade receivable considered good - Secured				
Trade receivable considered good - Unsecured	-	-	176.14	418.96
Trade receivable which have significant increase in Credit Risk	-	-	0.80	19.52
	-	-	176.94	438.48
Allowance for doubtful debts (expected credit loss)	-	-	0.80	19.52
Trade receivable - credit impaired	-	-		-
Total	-	-	176.14	418.96

2.05 Loans	Non Current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Security Deposits				
Secured, considered good				
Unsecured, considered good	26.58	34.81	-	-
Doubtful	-	-	-	-
	26.58	34.81	-	-
Less Impairment of deposits	-	-	-	-
(A)	26.58	34.81	-	-
0.01% Non Convertible Redeemable Preference Share	28.80	26.42	-	-
Loans to Joint Venture				
Loans receivable considered good - Secured	-	-	-	-
Loans receivable considered good - Unsecured	127.16	438.72	-	-
Loans receivable which have significant increase in Credit Risk	24.08	-	-	-
	151.25	438.72	-	-
Less : Allowance for impairment loss on loans	24.08	-	-	-
Loans receivable - credit impaired	-	-	-	-
	127.16	438.72	-	-
(B)	155.96	465.14	-	-
Loans to others				
Loans receivable considered good - Secured	-	-	-	-
Loans receivable considered good - Unsecured	176.00	-		
Loans receivable which have significant increase in Credit Risk	29.04	33.66	-	-
	205.04	33.66	-	-
Less : Allowance for Impairment loss on loans	31.46	16.46	-	-
Loans receivable - credit impaired	-	-	-	-
(C)	173.58	17.20	-	-
Total (A + B + C)	356.13	517.15	-	-

2.06 Other financial assets	Non Current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Security deposits	2.10	1.75	-	-
Interest receivable on Fixed Deposits	0.16			
Interest receivable considered good - Secured				
Interest receivable considered good - Unsecured	94.91	252.07	-	-
Interest receivable which have significant increase in Credit Ris	72.84	45.39	-	-
	167.75	297.46	-	-
Less : Allowance for impairment loss on interest	48.89	45.39	-	-
Interest receivable - credit impaired	-	-	-	-
	118.86	252.07	-	-
Other receivable considered good - Secured	-	-	-	-
Others receivable considered good - Unsecured	-	-	8.69	78.93
Other receivable which have significant increase in Credit Risk	-	-	30.47	-
	-	-	39.16	78.93
Less : Allowance for impairment loss on Receivables	-	-	29.89	-
Other receivable - credit impaired	-	-	-	-
Total	121.12	253.82	9.27	78.93

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2.07 Deferred tax assets/ liabilities (net)

	As at March 31, 2020	As at March 31, 2019
Deductible temporary differences		
Unabsorbed Depreciation as per Income Tax	33.27	42.25
Defined benefit and other Long Term Benefit obligation	20.40	21.10
Net deferred tax asset/ (liabilities)	53.67	63.35

	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Acquisitions/ Disposals	Closing Balance
2019 - 20 :						
Deferred tax (liabilities)/assets in relation to :						
Unabsorbed Depreciation as per Income Tax	42.25	-8.98	-	-	-	33.27
Expenses provided but allowable in Income Tax on payment	21.10	-0.70	-	-	-	20.40
Others	-	-	-	-	-	-
	63.35	-9.67	-	-	-	53.67
Tax losses	-	-	-	-	-	-
Others	-	-	-	-	-	-
	-	-	-	-	-	-
	63.35	-9.67	-	-	-	53.67
2018 - 19 :						
Deferred tax (liabilities)/assets in relation to :						
Unabsorbed Depreciation as per Income Tax	45.49	-3.24	-	-	-	42.25
Expenses provided but allowable in Income Tax on payment	27.77	-6.67	-	-	-	21.10
Others	-	-	-	-	-	-
	73.26	-9.90	-	-	-	63.35
Tax losses	-	-	-	-	-	-
Others	-	-	-	-	-	-
	-	-	-	-	-	-
	73.26	-9.90	-	-	-	63.35

The Analysis of Deferred tax Assets and Deferred tax Liabilities is as follows:

	As at March 31, 2020	As at March 31, 2019
Deferred Tax Assets:		
Deferred Tax Assets to be recovered after more than 12 months	53.67	63.35
Deferred Tax Assets to be recovered within 12 months		-
	53.67	63.35
Deferred Tax Liabilities		
Deferred Tax Liabilities to be recovered after more than 12 months	-	-
Deferred Tax Liabilities to be recovered within 12 months	-	-
	-	-

Unrecognised deductible temporary differences, unused tax losses and unused tax credits :

	As at March 31, 2020	As at March 31, 2019
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been		
- unabsorbed depreciation	-447.51	-418.74
- business losses	-1,397.28	-1,256.63
- MAT Credit Entitlement	-9.22	-9.22
	-1,854.01	-1,684.59

Expiry date of Unrecognised deductible temporary differences, unused tax losses and unused tax credits :
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax asset have been recognised are attributable to the following:

	2020	2019
- unabsorbed depreciation with no expiry dates	-447.51	-418.74
- business losses / MAT credit with expiry dates as follows		
12 Years	-9.22	-9.22
8 Years	-303.63	-240.78
7 Years	-192.39	-286.95
6 Years	-345.27	-126.54
5 Years	-126.54	-63.72
4 Years	-63.72	-13.93
3 Years	-13.93	-90.89
2 Years	-90.89	-260.89
1 Years	-260.89	-172.93
- unused tax credits (refer note below)		
- deductible temporary differences (describe)		
	-1,854.01	-1,684.59

Numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate(s), disclosing also the basis on which the applicable tax rate(s) is (are) computed

	As at March 31, 2020	As at March 31, 2019
Accounting Profit	-340.10	-625.78
Tax at the domestic rate of 26% in 2020, (26% in 2019)	-	-
Difference between WDV of Property Plant and equipment including Intangibles as per books and Income taxes	-	-
Expenses provided but allowable in Income Tax on payment/writeoff(net)	-	-
Other than temporary Differences	-	-
Adjustments for current tax of prior periods	-	-
Tax Expense	-	-

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2.08 Other assets

	Non Current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Advances other than Capital Advances				
Advances to other parties	-	-	7.08	6.82
Tax refund receivable	64.85	116.69	-	61.45
VAT credit Receivable	37.91	37.91	-	-
GST credit Receivable	-	-	15.73	48.25
Prepaid expenses	-	-	4.69	5.89
Deposit with statutory authorities (Net of provision)	8.18	8.78	-	-
Others	-	-	4.85	4.68
	110.95	163.39	32.53	127.09

2.09 Inventories

	As at March 31,	
	2020	2019
Finished goods	138.45	400.76
Total inventories at the lower of cost and net realisable value	138.45	400.76

Write-downs of inventories carried to net realisable value amounted to Rs. 2.36 Lacs (March 31, 2019 - Rs. 3.12 Lacs). These were recognised as an expense during the year and included in 'changes in value of inventories of work-in-progress, stock-in-trade and finished goods' in statement of profit and loss.

2.10 Cash and Bank Balances

	As at March 31,	
	2020	2019
Cash and cash equivalent		
Balances with banks		
On current accounts	6.41	16.54
On cash credits	11.88	-
Cheques/drafts on hand	-	-
Cash on hand	0.82	1.16
	19.12	17.70

	As at March 31,	
	2020	2019
Bank balances other than above		
Deposits with original maturity for more than 3 months but less than 12 month	3.00	-
	3.00	-

2.11 Share capital

	As at March 31,	
	2020	2019
Authorised share capital :		
5,00,000 (March 31, 2019: 5,00,000) equity shares of Rs.100/- each	500.00	500.00
	500.00	500.00
Issued and subscribed capital comprises :		
161,020 (March 31, 2019: 161,020) equity shares of Rs 100/- each (fully paid up)	161.02	161.02
Total issued, subscribed and fully paid-up share capital	161.02	161.02

a. Reconciliation of shares outstanding as at the beginning and at the end of the reporting period:
(Separate reconciliation should be prepared for each Class of Shares)

Equity shares	As at March 31,			
	2020		2019	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	1,61,020	161.02	1,61,020	161.02
Outstanding at the end of the period	1,61,020	161.02	1,61,020	161.02

b. Details of share holders holding more than 5% shares in the company

	As at March 31,			
	2020		2019	
	No. of Shares	% of holding	No. of Shares	% of holding
Equity shares of Rs. 100 each fully paid				
Name of the Shareholder				
Prism Johnson Limited	1,61,020	100%	1,61,020	100%

Of the above 1,61,020 shares, 10 shares are held by individuals on behalf of Prism Johnson Limited

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares

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2.12 Other equity	As at March 31, 2020	As at March 31, 2019
Retained earnings	-3,677.00	-3,369.30
Capital reserve	4,199.56	4,199.56
Total other equity	522.56	830.26
Retained earnings		
Balance at beginning of year	-3,369.30	-2,923.54
Profit for the year	-310.15	-616.44
Reversal of Previously recognized loss of Dis continued Jv's	-	173.63
Items of other comprehensive income recognized directly in retained earnings :		
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tı	2.45	-2.95
Balance as at the end of the year	-3,677.00	-3,369.30
Capital reserve		
Balance as at the beginning of the year	4199.56	4199.56
Movement during the year	-	-
Balance as at the end of the year	4199.56	4199.56
Total other equity	521.56	830.27

2.13 Borrowings	Non Current As at March 31, 2020	Non Current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Secured				
Loans repayable to Banks				
- On Demand	-	-	-	161.73
Unsecured				
Loan from related party	-	-	-	19.00
Inter-corporate deposits	400.00	400.00	-	-
	400.00	400.00	-	180.73

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Terms of Repayment for borrowings:

	Nature of Borrowing	Nature	Security	Terms of Repayment	As at March 31, 2020	As at March 31, 2019
i.	Cash Credit - HDFC Bank	Secured	Book debts & Stock	Repayable on demand	-	115.24
ii.	Cash Credit - Axis Bank	Secured	* Cash Credit Facility through Exclusive Hypothecation of all * Cash Credit Facility through Exclusiv EM of Property situated at NA Residential Plot No-38, CTS *Personnel Guarantee by Following	Repayable on demand	-	46.49
iii	Inter-corporate deposits	Unsecured		Repayable by 31/12/2021	460.00	465.00

2.14 Lease Liabilities

	Non Current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Building	12.03		4.36	
	12.03	-	4.36	-

2.15 Trade payables

	Non Current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Total outstanding dues of Micro Enterprises & Small Enterprises	-	-	-	40.69
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	-	-	234.67	629.86
	-	-	234.67	670.55

2.16 Other financial liabilities

	Non Current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Interest accrued but not due on loans	-	-	8.06	97.54
Security deposits from customers / others	3.00	3.00		
Salary and Employee benefits payable	-	-	27.05	30.43
Liability for expenses	-	-	24.22	25.60
Others	-	-	2.30	2.81
	3.00	3.00	61.63	156.38

2.17 Provisions

	Non Current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Employee benefits				
Provision for Gratuity	35.00	45.67	4.26	4.43
Provision for Leave Encashment	24.33	26.38	4.91	5.43
Provision for Bonus	-	-	9.94	10.37
	59.34	72.06	19.12	20.24
Others				
Provision for expenses	-	-	19.04	22.72
	-	-	19.04	22.72
	59.34	72.06	38.16	42.96

2.18 Other liabilities

	Non Current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Advance from customers	-	-	59.39	40.54
Statutory liabilities	-	-	13.40	21.79
	-	-	72.79	62.31

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2.19 Revenue from operations	Mar 31, 2020	Mar 31, 2019
Revenue from operations		
Sale of products	3,466.09	3,660.47
Sale of Services	216.00	216.00
Other operating revenue	0.61	22.97
Revenue from operations	3,682.70	3,899.44

2.20 Other Income	Mar 31, 2020	Mar 31, 2019
Interest Income on		
Bank Deposits (at amortized cost)	0.09	0.18
Interest on Loans	60.46	109.07
Interest on Preference Shares	2.38	2.18
Other non - operating income		
Rebate & Discount	38.28	28.13
Comission Received	-	-
Interest on Income Tax Refund	21.37	-
Miscellaneous Income	34.97	2.33
	157.54	341.89

2.21 Purchases of Stock-in-trade	Mar 31, 2020	Mar 31, 2019
Tiles & Others	2,605.65	2,750.59
Tile Display Units	189.00	384.52
	2,794.65	3,135.11

2.22 (Increase) /decrease in inventories	Mar 31, 2020	Mar 31, 2019
Inventories at the end of the year		
Finished goods	138.45	400.76
	138.45	400.76
Inventories at the beginning of the year		
Finished goods	400.76	323.94
Add - Acquired through Business Combinations	-	-
	400.76	323.94
	262.31	-76.82

2.23 Employee Benefits Expense	Mar 31, 2020	Mar 31, 2019
Salaries, wages and bonus	452.91	553.02
Contribution to provident and other fund	21.22	20.35
Gratuity	7.51	6.09
Leave encashment	-0.00	-18.37
Staff welfare expenses	4.30	7.43
	485.93	568.52

2.24 Finance Costs	Mar 31, 2020	Mar 31, 2019
Interest and Finance charges on financial liabilities not a FVTPL		
Interest on Loan	36.07	38.26
Lease Liability	1.83	-
Interest on Cash Credit	6.17	10.26
	44.07	48.52

2.25 Depreciation and amortization expense	Mar 31, 2020	Mar 31, 2019
Depreciation of property, plant and equipment	10.38	12.64
Depreciation and amortisation on lease assets	4.96	-
	15.34	12.64

2.26 Impairment loss on financial assets	Mar 31, 2020	Mar 31, 2019
Impairment loss allowance on trade receivables	-18.72	-
Impairment loss allowance on other financial assets	139.72	632.54
Reversal of Impairment loss allowance on other financial assets in respect of earlier years	-	-127.84
	121.00	504.70

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2.27 Other Expenses

	Mar 31, 2020	Mar 31, 2019
Rent and Maintenance	114.04	104.96
Rates & Taxes	5.44	3.92
Travelling & Communication Expenses	31.35	39.83
Discounts, incentives and commission on sales	13.68	5.46
Advertisement, Sales promotion and Other marketing expenses	3.83	11.75
Insurance	9.59	12.22
Freight outward	36.53	25.71
Audit Fees	5.56	6.52
Repairs others	6.75	14.61
Bank Charges	2.00	1.95
Power & Fuel	9.66	13.28
Legal & Professional Charges	20.84	27.10
Net Gain / Loss on Sale of Investments	109.54	-
Miscellaneous Expenses	47.60	17.53
	416.42	284.24

Payment to Auditors

	Mar 31, 2020	Mar 31, 2019
Auditors of the Company and its components :		
Audit of the Company :		
Statutory audit and tax audit Fees of the Company	5.55	6.03
Other services	-	0.38
Out of pocket expenses	0.01	0.12
	5.56	6.52

2.28 Tax expenses

	Mar 31, 2020	Mar 31, 2019
(a) Income tax expenses :		
Current tax assets		
In respect of the current year	-	-
In respect of prior years	-	-
Others	-	-
	-	-
Deferred tax		
In respect of the current year	8.82	9.91
Deferred tax reclassified from equity to profit or loss	-	-
Others	-	-
	8.82	9.91
Total income tax expense recognised in the current year	8.82	9.91
(b) Income tax recognised in other comprehensive income		
Remeasurements of the defined benefit plans	0.86	
	0.86	
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate :		
Profit from continuing operations before income tax expense	-340.00	-625.78
Profit from discontinuing operations before income tax expense		-
Tax at the Indian tax rate of 26 % (2018-2019 - 26%)*		
Difference in overseas tax rates		
Adjustments for current tax of prior periods	-	-
Adjustments of tax as per MAT	-	-
Adjustments of other timing differences	-	-
Tax losses for which no deferred income tax was recognised	-	-
Previously unrecognised tax losses now recouped to reduce current tax expense	-	-
Previously unrecognised tax losses used to reduce deferred tax expense	-	-
Income tax expense	-	-
(d) Amounts recognised directly in equity :		
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly		
Current tax	Nil	Nil
Deferred tax	Nil	Nil
(e) Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	-1,844.79	-1,675.37
Potential tax benefit @ 26% (2018-2019 - 26%)	-488.86	-444.81

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2.29 Earnings Per Share (EPS)

	As at March 31, 2020	As at March 31, 2019
Basic & Diluted earnings per share :		
From continuing operations attributable to equity holders of the company	-192.62	-382.83
From discontinued operations attributable to equity holders of the company		
Total basic & diluted earnings per share	-192.62	-382.83
Reconciliation of earnings used in calculating earnings per share :		
Basic earnings per share		
Profit attributable to equity holders of the company used in calculating basic earnings per share :		
From continuing operations	-310.15	-616.44
From discontinued operations		
	-310.15	-616.44
Weighted average number of shares used as the denominator :		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,61,020	1,61,020
Adjustments for calculation of diluted earnings per share :		
Weighted average number of equity shares and potential equity shares used as the denominator in calculating basic earnings per share	1,61,020	1,61,020

2.30 Business Combinations

Summary of acquisition	Principal activity	Date of acquisition	Proportion of voting equity interests acquired (%)	Consideration transferred
TBK Samiyaz Tile Bath Kitchen Private Limited	Trading in Tiles, Marble and Quartz	14-Oct-19	39.12%	2.50

Details of purchase consideration, the net assets acquired and goodwill are as follows :

Purchase consideration	TBK Samiyaz Tile Bath Kitchen Private Limited
Cash	2.50
Equity shares issued	
Contingent consideration	
Total purchase consideration	2.50

The assets and liabilities recognised as a result of the acquisition are as follows :	TBK Samiyaz Tile Bath Kitchen Private Limited
Property Plant & Equipment	19.71
Cash and cash equivalents	0.96
Trade and other receivables	-
Non Current Assets - Loans	10.26
Deferred Tax Assets	5.31
Inventories	-
Others Financial Assets	-
Other Current Assets	2.17
Trade payables	-72.95
Non Current Financial Liabilities - Borrowings	-19.00
Current Financial Liabilities - Borrowings	-19.00
Non Current Financial Liabilities - Provisions	-
Current Tax Liabilities	-
Other Financial Liabilities	-23.72
Other Current Liabilities	-0.59
Net identifiable assets acquired	-96.96

Calculation of goodwill / capital reserve :	TBK Samiyaz Tile Bath Kitchen Private Limited
Consideration transferred	2.50
Non controlling interests in the entity	-67.75
Acquisition date fair value of previously held equity interest	-67.75
Less : Net identifiable assets acquired	-29.20
Goodwill	31.70

Purchase consideration - cash outflow	March 31, 2020
Outflow of cash to acquire subsidiaries, net of cash acquired	
Cash considerations	2.50
Less. Balances acquired	
Cash	
Bank Overdraft	
Net outflow of cash - investing activities	2.50

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2.31 Additional Information required by Schedule III

March 31, 2020 :

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
H & R Johnson TBK (India) Limited	169.32%	1,157.46	48.11%	-167.80	100.00%	2.45	47.74%	-165.35
Subsidiaries (group's share)								
TBK Venkataramiah Tile Bath Kitchen Private Limited	-21.49%	-146.90	-2.37%	8.26			-2.39%	8.26
TBK Rangoli Tile Bath Kitchen Private Limited	-37.15%	-253.94	1.61%	-5.62			1.62%	-5.62
TBK Samiyaz Tile Bath Kitchen Private Limited	-10.68%	-73.04	29.95%	-104.47			30.16%	-104.47
Non-controlling interests in all subsidiaries	0.00%	-	11.09%	-38.67			11.16%	-38.67
Associates (Investment as per equity method)								
Joint ventures (Investment as per equity method)								
TBK P B Shah Tile Bath Kitchen Private Limited - (upto - 21/03/2020)		-	0.85%	-2.97			0.86%	-2.97
TBK Deepgiri Tile Bath Kitchen Private Limited		-	-3.51%	12.24			-3.54%	12.24
TBK Unique Jalgaon Tile Bath Kitchen Private Limited		-	4.20%	-14.66			4.23%	-14.66
TBK Deziner's Home Private Limited - (upto - 24/06/2019)		-	0.00%	-			0.00%	0.00
TBK Rathi Sales Agencies Private Limited - (upto - 14/11/2019)		-	0.00%	-			0.00%	0.00
TBK Pradeep Tile Bath Kitchen Private Limited		-	2.24%	-7.82			2.26%	-7.82
TBK Krishna Tile Bath Kitchen Private Limited - (upto - 21/06/2019)		-	0.00%	-			0.00%	0.00
TBK Sanitary Sales Private Limited		-	-0.38%	1.32			-0.38%	1.32
TBK Florance Ceramics Private Limited		-	4.46%	-15.55			4.49%	-15.55
TBK Rishi Ceramics Private Limited - (upto - 23/10/2019)		-	3.28%	-11.43			3.30%	-11.43
TBK Shree Ganesh Traders Private Limited - (upto - 14/11/2019)		-	-1.07%	3.75			-1.08%	3.75
TBK Home Trends Private Limited - (upto - 19/10/2019)		-	0.19%	-0.65			0.19%	-0.65
TBK Aishwarya Tile Bath Kitchen Private Limited - (upto - 24/10/2019)		-	0.54%	-1.90			0.55%	-1.90
TBK Solar Ceramics Private Limited - (upto - 23/08/2019)		-	0.82%	-2.85			0.82%	-2.85
TBK Raj Kamal Tile Bath Kitchen Private Limited - (upto - 24/06/2019)		-	0.00%	-			0.00%	0.00
Total	100%	683.58	100%	-348.82	100%	2.45	100%	-346.37

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March 31, 2019 :

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
H. & R. Johnson TBK (India) Limited	137.18%	1,372.80	58.18%	-369.81	100.00%	-2.95	58.37%	-372.76
Subsidiaries (group's share)								
TBK Venkataramiah Tile Bath Kitchen Private Limited	-15.50%	-155.16	0.92%	-5.87			0.92%	-5.87
TBK Rangoli Tile Bath Kitchen Private Limited	-24.81%	-248.32	0.93%	-5.90			0.92%	-5.90
TBK Samiyaz Tile Bath Kitchen Private Limited	2.19%	21.96	7.03%	-44.66			6.99%	-44.66
Non-controlling interests in all subsidiaries	0.95%	9.47	3.03%	-19.25			3.01%	-19.25
Associates (Investment as per equity method)								
Joint ventures (Investment as per equity method)								
TBK P B Shah Tile Bath Kitchen Private Limited		-	2.37%	-15.09			2.36%	-15.09
TBK Deepgin Tile Bath Kitchen Private Limited		-	-1.81%	11.49			-1.80%	11.49
TBK Unique Jalgaon Tile Bath Kitchen Private Limited		-	2.35%	-14.91			2.33%	-14.91
TBK Dezire's Home Private Limited		-	0.00%	-			0.00%	0.00
TBK Rashi Sales Agencies Private Limited		-	1.25%	-7.97			1.25%	-7.97
TBK Bansal Ceramics Private Limited - (upto - 23/03/2019)		-	0.00%	-			0.00%	0.00
TBK Prathap Tile Bath Kitchen Private Limited		-	7.09%	-45.05			7.05%	-45.05
TBK Krishna Tile Bath Kitchen Private Limited		-	2.22%	-14.13			2.21%	-14.13
TBK Sanitary Sales Private Limited		-	6.62%	-42.11			6.59%	-42.11
TBK Florance Ceramics Private Limited		-	1.19%	-7.59			1.19%	-7.59
TBK Kadakia's Tile Bath Kitchen Private Limited - (upto - 23/03/2019)		-	0.00%	-			0.00%	0.00
TBK Rishi Ceramics Private Limited		-	-0.49%	3.12			-0.49%	3.12
TBK Shree Ganesh Traders Private Limited		-	4.54%	-28.89			4.52%	-28.89
TBK Vaibhav Tile Bath Kitchen Private Limited - (upto - 29/03/2019)		-	0.00%	-			0.00%	0.00
TBK Home Trends Private Limited		-	2.11%	-13.43			2.10%	-13.43
TBK Aishwarya Tile Bath Kitchen Private Limited		-	0.90%	-5.73			0.90%	-5.73
TBK Solan Ceramics Private Limited		-	1.56%	-9.89			1.55%	-9.89
TBK Raj Kamal Tile Bath Kitchen Private Limited		-	0.00%	-			0.00%	0.00
Total	100%	1,000.75	100%	-635.69	100%	-2.95	100%	-638.64

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2.32 Interests in other entities

Subsidiaries :

The group's subsidiaries at 31 March 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ Country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests		Principal Activities
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
TBK Venkataramiah Tile Bath Kitchen Private Limited	INDIA	100%	100%	0%	0%	Trading in Tiles, Marble and Quartz
TBK Rangoli Tile Bath Kitchen Private Limited	INDIA	100%	100%	0%	0%	Trading in Tiles, Marble and Quartz
TBK Samiyaz Tile Bath Kitchen Private Limited	INDIA	100%	69.88%	0%	30.12%	Trading in Tiles, Marble and Quartz

Interests in associates and joint ventures :

Set out below are the associates and joint ventures of the group as at 31 March 2020 which, in the opinion of the directors, are material to the group. The entities listed below have share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held

Name of entity	Relationship	Place of business	% of Ownership	Carrying amount of Investment	
				March 31, 2020	March 31, 2019
TBK P B Shah Tile Bath Kitchen Private Limited - (upto - 21/03/2020)	Joint Venture	INDIA	-	-	5.00
TBK Deepgiri Tile Bath Kitchen Private Limited	Joint Venture	INDIA	50%	5.00	5.00
TBK Unique Jalgaon Tile Bath Kitchen Private Limited	Joint Venture	INDIA	50%	0.50	0.50
TBK Deziner's Home Private Limited - (upto - 24/06/2019)	Joint Venture	INDIA	-	-	2.50
TBK Rathi Sales Agencies Private Limited - (upto - 14/11/2019)	Joint Venture	INDIA	-	-	0.50
TBK Prathap Tile Bath Kitchen Private Limited	Joint Venture	INDIA	50%	0.50	0.50
TBK Krishna Tile Bath Kitchen Private Limited - (upto - 21/06/2019)	Joint Venture	INDIA	-	-	0.50
TBK Sanitary Sales Private Limited	Joint Venture	INDIA	50%	0.50	0.50
TBK Florance Ceramics Private Limited	Joint Venture	INDIA	50%	337.50	337.50
TBK Rishi Ceramics Private Limited - (upto - 23/10/2019)	Joint Venture	INDIA	-	-	0.50
TBK Shree Ganesh Traders Private Limited - (upto - 14/11/2019)	Joint Venture	INDIA	-	-	0.50
TBK Home Trends Private Limited - (upto - 19/10/2019)	Joint Venture	INDIA	-	-	0.50
TBK Aishwarya Tile Bath Kitchen Private Limited - (upto - 24/10/2019)	Joint Venture	INDIA	-	-	0.50
TBK Solan Ceramics Private Limited - (upto - 23/08/2019)	Joint Venture	INDIA	-	-	0.50
TBK Raj Kamal Tile Bath Kitchen Private Limited - (upto - 24/06/2019)	Joint Venture	INDIA	-	-	0.50
Total equity accounted investments				344.00	355.50

2.33 Financial Instruments

(i) The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values

a) The carrying amounts of trade receivables, cash and cash equivalents, trade payables and others are considered to be the same as their fair values, due to their short-term nature.

b) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(ii) Fair Value measurements

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

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

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

Level 3: unobservable inputs from assets and liability

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March 31, 2020

Financial Assets	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
Investments							
Investment in other companies	##			##			
Investment in government securities							
Investment in mutual funds				-			
Trade receivables	176.14			176.14			
Loans and Advances	356.11			356.11			356.11
Other financial assets	130.40			130.40			
Cash and cash equivalents	22.12			22.12			
	684.77			684.77			356.11

Financial Liabilities	Carrying Value	Classification		Fair Value		
		FVTPL	Amortised Cost	Level 1	Level 2	Level 3
Borrowings	400.00		400.00			
Lease Liability	16.40		16.40			
Trade payables	234.67		234.67			
Other financial liabilities	64.63		64.63			
	715.71		715.71			

March 31, 2019

Particulars	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortised	Level 1	Level 2	Level 3
Financial assets							
Investments							
Investment in other companies	##			##			
Investment in government securities							
Investment in mutual funds				-			
Trade receivables	418.96			418.96			
Loans and Advances	517.15			517.15			517.15
Other financial assets	332.74			332.74			
Cash and cash equivalents	17.70			17.70			
	1,286.56			1,286.56			517.15

Financial Liabilities	Carrying Value	Classification		Fair Value		
		FVTPL	Amortised Cost	Level 1	Level 2	Level 3
Borrowings	580.73		580.73			
Trade payables	670.55		670.55			
Other financial liabilities	159.38		159.38			
	1,410.66		1,410.66			

- Amount indicates less than 49000

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(iii) Financial Risk Management

Credit risk
Exposures to credit risk:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from deposits with banks and financial institutions, as well as from credit exposures to customers, including outstanding receivables and committed transactions with suppliers
As at balance sheet date, the Company does not have significant concentration of credit risk neither due to size of customers nor due to country risk

Credit risk management:
The Company has specific policies for managing customer credit risk, these policies factor in the customer's financial position, past experience and other customer specific factors. The company uses the allowance matrix to measure the expected credit loss of trade receivables from customers.
Based on the industry practices and business environment in which the Company operates, management considers that the trade receivables are in default if the payment are more than two years past due
Trade receivables consists of large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.
Table showing age of gross trade receivables and movement in expected credit loss allowance :

	Rs In Lakhs	
Age of receivables	As at March 31,	
	2020	2019
Within the credit period		
6-90 days past due	150.21	350.88
90-180 days past due	17.06	44.36
180-270 days past due	1.46	8.41
More than 270 days past due	8.22	34.83
	176.94	438.48

Movement in the expected credit loss allowance	Year ended March 31,	
	2020	2019
Balance at beginning of the year	19.52	18.63
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(18.72)	0.89
Balance at end of the year	0.80	19.52

Collateral held as security and other credit enhancements
The Company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.
Interest Rate is charged for delay in receipt of payments on trade receivables
The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experienced and adjusted for forward- looking information.

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation. In addition, processes and policies related to such risks are overseen by the senior management. The Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

As on March 31, 2020	< 1 Year	1 - 5 year	> 5 year	Total
Non-Current borrowings	-	400.00	-	400.00
Current borrowings	-	-	-	-
Finance lease obligation	-	-	-	-
Fixed Deposits payable	-	-	-	-
Financial Guarantee Obligation	-	-	-	-

As on March 31, 2019	< 1 Year	1 - 5 year	> 5 year	Total
Non-Current borrowings	-	400.00	-	400.00
Current borrowings	180.73	-	-	180.73
Finance lease obligation	-	-	-	-
Fixed Deposits payable	-	-	-	-
Financial Guarantee Obligation	-	-	-	-

Market Risk – Interest Rate
The 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 borrows at variable as well as fixed interest rates and the same is managed by the Company by constantly monitoring the trends and expectations. In order to reduce the overall interest cost, the Company has borrowed in a mix of short term and long term loans.

Particulars	March 31, 2020	March 31, 2019
Variable rate borrowings	-	180.73
Fixed rate borrowings	400.00	400.00

2.34 Contingent Liabilities & Contingent Assets

	Year Ended	
The Company had contingent liabilities at 31 March 2020 in respect of:	31-Mar-20	31-Mar-19
Sales Tax		
FY 2014 - 2015	7.13	7.13
FY 2015 - 2016	20.46	20.46
Consumer Forum	4.63	4.63

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2.35 Related Party Transaction

	Ownership interest as at March, 31	
	2020	**2019**
(a) Holding Company		
Prism Johnson Limited	100%	100%
(b) Joint Ventures		
TBK P B Shah Tile Bath Kitchen Private Limited - (upto - 21/03/2020)	-	50%
TBK Deepgiri Tile Bath Kitchen Private Limited	50%	50%
TBK Unique Jalgaon Tile Bath Kitchen Private Limited	50%	50%
TBK Deziner's Home Private Limited - (upto - 24/06/2019)	-	50%
TBK Rathi Sales Agencies Private Limited - (upto - 14/11/2019)	-	50%
TBK Prathap Tile Bath Kitchen Private Limited	50%	50%
TBK Krishna Tile Bath Kitchen Private Limited - (upto - 21/06/2019)	-	50%
TBK Sanitary Sales Private Limited	50%	50%
TBK Florance Ceramics Private Limited	50%	50%
TBK Rishi Ceramics Private Limited - (upto - 23/10/2019)	-	50%
TBK Shree Ganesh Traders Private Limited - (upto - 14/11/2019)	-	50%
TBK Home Trends Private Limited - (upto - 19/10/2019)	-	50%
TBK Aishwarya Tile Bath Kitchen Private Limited - (upto - 24/10/2019)	-	50%
TBK Solan Ceramics Private Limited - (upto - 23/08/2019)	-	50%
TBK Raj Kamal Tile Bath Kitchen Private Limited - (upto - 24/06/2019)	-	50%
(c) Subsidiary of Joint Venture		
Countrywide Exports Private Limited	100%	100%

(d) Subsidiary of Holding Company
Sentini Cermica Private Limited
Antique Marbonite Private Limited
Spectrum Johnson Tiles Private Limited
Coral Gold Tiles Private Limited
Silica Ceramica Private Limited
Milano Bathroom Fitting Private Limited
RMC Readymix Porselano (India) Limited
Small Johnson Floor Tiles Private Limited

(e) Joint Venture of Holding Company
Ardex Endura (India) Private Limited

(I) Related party Transactions

Name of Enterprise	Relationship	Nature of transaction	Amount of transaction in FY 2019-20	Amount outstanding as on 31.03.20 (payable)/ Receivable	Amount of transaction in FY 2018-19	Amount outstanding as on 31.03.19 (payable)/ Receivable
Prism Johnson Limited	Holding Company	Sales	233.28	-	233.23	-
		Schemes, Rebate & Discount	250.61	-	324.98	-
		Purchase of Goods and Services	5,689.78	532.12	16,306.42	1,850.89
		Reimbursement of Expenses Paid	14.34	-	14.17	-
		Interest on Loan taken	36.07	8.06	36.00	86.11
		Interest Paid on outstanding balances (Net of receipt)	110.52	-	-	-
		Rent Expenses	27.27	-	46.04	-
		Loans & Advance taken	-	400.00	-	400.00
		Repayment of Loans & Advances	-	-	-	-
		Deposits Receivable	-	2.95	-	2.95
		Reimbursement of Expenses Received	21.79	-	22.93	-
Others	Joint Venture	Interest Accrued on Loan given	32.82	115.64	109.06	297.35
		Loans & Advances Given	-	151.25	-	465.14
		Loans & Interest W/off	-	-	469.21	-
		Provision for Loans, Interest & Other Advances	87.86	87.86	61.85	61.85
		Loans & Advances Received	-	-	23.00	-
		Sales of goods & services	0.06	-	6.67	-
		Purchase of goods & services	-	-	3.03	-
		Reimbursement of Expenses	12.77	37.97	16.63	78.82
		Interest Repayment	10.80	-	21.77	-
		Sales of Investment	31.21	-	1.50	-
		Repayment of Preference Shares	-	-	-	-
		Designing Fees	-	-	-	-
Ardex Endura (India) Private Limited	Joint Venture of Holding Company	Purchase of goods & services	9.80	0.63	8.14	0.96
		Sales of goods & services	-	0.01	0.34	0.03
Ardex Endura (India) Private Limited	Joint Venture of Holding Company	Deposits	0.25	0.25	-	-
Sentini Cermica Private Limited	Fellow Subsidiary	Rent Income	0.02	0.00	0.02	-
		Deposits	-	3.00	-	3.00

For the purpose of consolidation Interest accrued on Loan given is consider as long term and its carrying amount is consider as Investment for recognising the Loss of Joint Venture.

2.36 Segment Information

As the company's business activity falls within a single primary business segment and one geographical segment, the segment information as required under IND AS 108 on " Segment Reporting" is not applicable.

2.37 Leases

Operating Lease for Premises: The lease arrangements, which are cancelable, are for different periods and are renewable by mutual consent on mutually agreeable terms. The Rentals charged to Statement of Profit & Loss amounts to Rs. 102.57 lacs (Previous Year Rs. 56.91 Lacs)
The above amount does not include Lease Rental of Subsidiaries of Rs 11.47 Lacs (2019 - 2020) and Rs 48.05 Lacs (2018 - 2019)

2.38 Auditor's Remuneration (Excluding Goods and Service Tax) :

Particulars	2019 - 2020	2018 - 2019
Statutory Audit Fees	4.75	4.75
Tax Audit Fees	0.75	0.75
Other Services	1.10	1.10

The above amount does not include Auditors Remuneration of Subsidiaries of Rs 0.80 Lacs (2019 - 2020) and Rs 1.28 Lacs (2018 - 2019)

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2.39 Employee Benefits

1. Defined contribution plans

The total expense recognised in profit and loss of Rs 21.22 Lacs (for the year ended March 31, 2019 ; Rs 20.35 Lacs) represents contributions payable to these plans by the Company at rates specified in rules of the plans

2. Defined benefit plans

Gratuity
The Group operates a gratuity plan covering qualifying employees. The benefit payable is the amount calculated as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the company. In case of death while in service, the gratuity is payable irrespective of vesting. The liability in respect of plan is determined on the basis of an actuarial valuation

3. Principal assumptions used for the purpose of actuarial valuation

	Gratuity	
	Valuation as of	
	31-Mar-20	31-Mar-19
Discount Rate	6.99%	7.46%
Expected Rate(s) of salary increase	5%	5%
Attrition Rate	10%	10%

4. Amounts recognised in consolidated statement of Profit and Loss in respect of defined benefit plans

	Gratuity	
	Year Ended	
	31-Mar-20	31-Mar-19
Service cost		
Current service cost	4.59	3.66
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	2.92	2.43
Component of defined benefit costs recognised in profit & loss	**7.51**	**6.09**
Remeasurement of net defined benefit liability	-	-
Return on plan assets(excluding amount included in net interest expense)	-	-
Acturial (gains)/ losses arising from changes in demographic assumptions	-	-
Acturial (gains)/ losses arising from changes in financial assumption	1.97	0.72
Acturial (gains)/ losses arising from experience adjustments	(5.28)	2.23
Others(decribe)	-	-
Adjustments for restrictions on defined benefit assets	-	-
Componenets of defined benefits cost recognised in OCI	**(3.31)**	**2.95**
Total	4.20	9.04

5. The amount included in the consolidated balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

	Gratuity	
	As at 31-03-2020	As at 31-03-2019
Present value of defined benefit obligation	39.26	38.97
Fair value of plan assets	-	-
Net defined benefit liability	39.26	38.97

6. Movements in present value of defined benefit obligation and planned assets

	Gratuity	
	Year Ended	
	31-Mar-20	31-Mar-19
Opening defined benefit obligatone	38.97	31.09
Current service cost	4.59	3.66
Interest cost	2.92	2.43
Remeasurement (Gains)/loss		
Acturial (gains)/ losses arising from changes in demographic assumptions	-	-
Acturial (gains)/ losses arising from changes in financial assumption	1.97	0.72
Acturial (gains)/ losses arising from experience adjustments	(5.28)	2.23
Others(decribe)	-	-
Past service cost, including losses /(gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in business combinations	-	-
Exchange difference on foreign plans	-	-
Benefits paid	(3.91)	(1.16)
Others(describe)	-	-
Closing Defined Benefit Obligation	39.26	38.97

7. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below 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

Sensitivity analysis - DBO end of Period

Particulars	Gratuity 31-03-2020	Gratuity 31-03-2019
Discount rate +100 basis points	37.06	36.80
Discount rate -100 basis points	41.73	41.41
Salary Increase Rate +1%	41.74	41.44
Salary Increase Rate -1%	37.01	36.73
Attrition Rate +1%	39.48	39.34
Attrition Rate -1%	39.03	38.57

The sensitivity analysis presented above may not be representative of the actual change in the defined 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 defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

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

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2.40 Non - recognition of Losses of Joint Ventures during consolidation

	As at March 31, 2020	As at March 31, 2019
Cumulative of Total Loss Unrecognize	(73.46)	[illegible]

2.41 Dis Investment of Joint Ventures

During the year the company has sold the investment in joint ventures and also received amount of Rs 11.21 Lacs in the extent of shares sold

2.42 Disclosure in Terms of IND AS 116 "Leases" as a Lessee:

1 The Company's lease asset primarily consist of leases for Land, Building and Plant & Machinery having various lease terms. Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognised.

2 The effect of this adoption is insignificant on the profit before tax, profit for the Year and earnings per share. Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

3 The following is the summary of practical expedients elected on initial application:
1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17.
4. Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease
5. The Company has elected, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component

4 Following is carrying value of right of use assets recognized on date of transition and the movements thereof during the year ended March 31, 2020

Particulars	Category of ROU Leasehold Land	Plant & Machinery	Leasehold Buildings	Total
Balance as on April, 2019	-	-	-	-
Transition impact on account of Ind AS 116 " Leases"	-	-	19.85	19.85
Reclassified from property, plant and equipment on account of adoption of Ind AS 116 "Leases"	-	-	-	-
Reclassified from Earnest money and Security Deposits	-	-	-	-
Total Right of Use as on date of Transition	-	-	19.85	19.85
Additions during the year	-	-	-	-
Deletion during the year	-	-	-	-
Depreciation of Right of use assets	-	-	(4.96)	(4.96)
Balance as at March 31, 2020	-	-	14.89	14.89

5 The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2020:

Particulars	Year Ended March 31, 2020
Transition impact on account of Ind AS 116 " Leases"	19.85
Reclassified finance lease obligation under Ind AS 17 to lease liabilities on account of adoption of Ind AS 116 "Leases"	-
Additions during the year	-
Finance cost accrued during the year	1.83
Deletions	-
Payment of lease liabilities	(5.28)
Balance as at March 31, 2020	16.40
Current portion of Lease liability	4.36
Non Current portion of Lease liability	12.03
	16.40

6 An explanation to difference between operating lease commitments as per Ind AS 17 and lease liabilities as per Ind AS 116 as on April 1, 2019 is as below:
a. The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 10%
b. Reconciliation of Leases as Per Ind AS 17 vs Ind AS 116

Particulars	Year Ended April 1, 2019
Lease commitments as at 31 March 2019 , discounted using incremental borrowing rate as at the date of initial application	-
Reclassified finance lease obligation under Ind AS 17 to lease liabilities on account of adoption of Ind AS 116 "Leases"	-
Add/(less): contracts reassessed as lease contracts	19.85
Add/(less): adjustments on account of extension/termination	-
Lease liabilities as on 1 April 2019	19.85

7 Amounts recognised in the statement of cash flows

Particulars	FY 2019-20
Total cash outflow for leases	5.28

8 Rental expense recorded for short-term leases was Rs. 114.04 Lakhs for the year ended March 31,2020.

9 The maturity analysis of lease liabilities are disclosed below The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Period	Amount in Lakhs
Less than 1 Year	5.81
1 Years to 5 Years	13.35
More than 5 Years	-

H. & R. Johnson (India) TBK Ltd.

BORKAR & MUZUMDAR
MUMBAI
F. R. NO. 101569W
CHARTERED ACCOUNTANTS

All amounts are in Rs. In lacs unless otherwise stated

2.43 Proposed Scheme of Amalgamation with parent Company viz Prism Johnson Ltd.

The Board of Directors of the company had approved on October 23, 2019 the Composite Scheme of Arrangement and Amalgamation amongst Prism Johnson Limited ("PJL"), Milano Bathroom Fittings Private Limited ("Milano"), Silica Ceramica Private Limited ("Silica"), TBK Rangoli Tile Bath Kitchen Private Limited ("TBK Rangoli"), TBK Venkataramiah Tile Bath Kitchen Private Limited ("TBK Venkat") and TBK Samiyaz Tile Bath Kitchen Private Limited ("TBK Samiyaz") which has been filed before the NCLT, Hyderabad.

The Company and its wholly owned subsidiaries TBK Rangoli, TBK Venkat and TBK Samiyaz will be demerged entity after scheme is approved and retail / trading business unit will be taken over by PJL. The statutory approvals for the proposed scheme are awaited and no impact of the same has been provided in the financials of the Company for the year ended March 31, 2020

2.44 Note on COVID-19

The World Health Organisation announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24,2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been further extended till May,2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown

The management has made assessment of the impact of COVID-19 on the company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements.

Accordingly no adjustments have been made to the financial statements

As per our report of even date

For Borkar & Muzumdar Chartered Accountants FRN: 101569W	For and on behalf of the Board of Directors
Deepak Kumar Jain Partner M. No. 151390	Dinesh Vyas Director DIN: 02550966
	Arun Kumar Agarwal Director DIN: 06404309
Place : Mumbai Date : May 24, 2020	Place : Thane Date : May 24, 2020

BORKAR & MUZUMDAR
MUMBAI
F.R. NO.
101569W
CHARTERED ACCOUNTANTS

H. & R. Johnson (India) TBK Ltd.

FORM AOC - I

(Pursuant to first provision to sub-section (3) section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of Subsidiaries / Joint Ventures / Associates

Part A : Subsidiaries

₹ Lakhs

Sr. No.	Name of Subsidiaries	TBK Venkataramiah Tile Bath Kitchen Pvt. Ltd.	TBK Rangoli Tile Bath Kitchen Pvt. Ltd.	TBK Samiyaz Tile Bath Kitchen Pvt. Ltd.
1	Date of Acquisition	04-01-2014	31-07-2015	23-09-2017
2	Reporting Currency	INR	INR	INR
3	Share Capital	1.00	1.00	8.30
4	Reserves & Surplus	(147.90)	(254.94)	(81.34)
5	Total Assets	58.44	13.25	18.10
6	Total Liabilities	205.33	267.19	91.14
7	Investments	-	-	-
8	Turnover	411.54	19.44	96.49
9	Profit/(Loss) Before Taxation	8.26	(5.62)	(98.76)
10	Provision for Taxation	-	-	5.71
11	Profit/(Loss) After Taxation	8.26	(5.62)	(104.47)
12	Proposed Dividend	Nil	Nil	Nil
13	% of Sahreholding	100%	100%	100%

Part B : Associates & Joint Ventures

₹ Lakhs

Sr. No.	Name of Associates / Joint Ventures	TBK Deepgiri Tile Bath Kitchen Pvt. Ltd.	TBK Unique Jalgaon Tile Bath Kitchen Pvt. Ltd.	TBK Prathap Tile Bath Kitchen Pvt. Ltd.	TBK Florance Ceramics Pvt. Ltd. #	TBK Sanitary Sales Pvt. Ltd.
1	Latest audited Balance Sheet	31-03-2020	31-03-2020	31-03-2020	31-03-2020	31-03-2020
2	Date of Acquisition	22-05-2008	09-02-2009	01-12-2010	09-06-2011	17-06-2011
3	Shares of Associates/Joint Ventures held by the Company on the year end					
	Number	50000	5000	5000	155000	5000
	Amount of investment in Associates/ Joint Venture	5.00	0.50	0.50	337.50	0.50
	Extend of Holding %	50%	50%	50%	50%	50%
4	Description of how there is significant influence	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture
5	Reason why the Associate/Joint Venture is not consolidated	NA	NA	NA	NA	NA
6	Networth attributable to Shareholding as per latest audited Balance Sheet	197.30	-13.74	-137.20	152.94	-143.71
7	Profit/(Loss) for the year					
	i. Considered in Consolidation	12.24	-14.66	-7.82	-15.55	1.32
	ii. Not Considered in Consolidation	12.24	-14.66	-49.33	-15.55	1.32

Based on Consolidated financial statements of respective entities

BORKAR & MUZUMDAR MUMBAI F.R. No. 101569W CHARTERED ACCOUNTANTS

H. & R. Johnson (India) TBK Ltd.

Notes: (1) Name of entities which are yet to commence operations - None

(2) On October 14, 2019, the Company has acquired additional 30.12% holding in TBK Samiyaz Tile Bath Kitchen Private Limited.

(3) Investments excludes investment in subsidiaries.

(4) The Reporting period for all the entities is 31-03-2020.

(5) Names of Entities which have been liquidated or sold during the year as follows

(1) TBK Deziner's Home Pvt. Ltd.- (Joint Venture upto - 24/06/2019)

(2) TBK Krishna Tile Bath Kitchen Pvt. Ltd - (Joint Venture upto - 23/06/2019)

(3) TBK Raj Kamal Tile Bath Kitchen Pvt. Ltd - (Joint Venture upto - 24/06/2019)

(4) TBK Solan Ceramics Pvt. Ltd. - (Joint Venture upto - 23/08/2019)

(5) TBK Shree Ganesh Traders Pvt. Ltd.- (Joint Venture upto - 14/11/2019)

(6) TBK Rathi Sales Agencies Pvt. Ltd.- (Joint Venture upto - 14/11/2019)

(7) TBK Rishi Ceramics Pvt. Ltd.- (Joint Venture upto - 23/10/2019)

(8) TBK Aishwarya Tile Bath Kitchen Pvt. Ltd.- (Joint Venture upto - 24/10/2019)

(9) TBK Home Trends Pvt. Ltd.- (Joint Venture upto - 19/10/2019)

(10) TBK P B Shah Tile Bath Kitchen Pvt. Ltd.- (Joint Venture upto - 21/03/2020)

Place: Thane
Date: May 24, 2020

BORKAR & MUZUMDAR
MUMBAI
F.R. NO.
101569W
CHARTERED ACCOUNTANTS

Dinesh Vyas
Director
DIN: 02550960

Arun Kumar Agarwal
Director
DIN: 06404309

H. & R. Johnson (India) TBK Ltd.

H. & R. Johnson (INDIA) TBK Limited
Standalone Balance Sheet as at June 30, 2020
All amounts are in Rs. In lacs unless otherwise stated

Particulars	Notes	As at June 30, 2020	As at March 31, 2020	As at March 31, 2019
ASSETS				
Non-current assets				
Property, plant and equipment	2.01	30.30	32.28	21.03
Other Intangible assets			-	-
Financial assets				
Investments	2.02	485.09	485.10	444.12
Trade Receivables	2.03	-	-	-
Loans	2.04	507.08	540.20	1,122.60
Other financial assets	2.05	152.33	167.27	585.59
Deferred tax assets (Net)	2.06	53.48	53.67	57.64
Other non-current assets	2.07	79.64	108.76	160.49
Total non-current assets		**1,307.92**	**1,387.28**	**2391.47**
Current Assets				
Inventories	2.08	146.51	128.11	189.55
Financial Assets				
Investments		-	-	-
Trade Receivables	2.03	86.87	134.42	353.26
Cash and cash equivalents	2.09	55.33	17.07	15.86
Bank balances other than a/s above	2.09	-	-	-
Loans	2.04	-	-	-
Other financial assets	2.05	48.27	63.51	139.31
Current tax assets (Net)		-	-	-
Other current assets	2.07	36.78	29.21	117.71
Total current assets		**373.76**	**372.32**	**813.57**
Total assets		**1,681.68**	**1,759.60**	**3,205.04**
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	2.10	161.02	161.02	161.02
Other Equity	2.11	827.89	922.57	1,793.30
Total equity		**988.91**	**1,083.59**	**1,954.32**
Liabilities				
Non-current liabilities				
Financial Liabilities				
Borrowings	2.12	400.00	400.00	400.00
Lease Liability	2.13	10.73	12.03	-
Trade payables	2.14	-	-	-
Other financial liabilities	2.15	3.00	3.00	3.00
Provisions	2.16	60.48	59.34	60.92
Deferred tax liabilities (Net)	2.06	-	-	-
Other non-current liabilities	2.17	-	-	-
Total non-current liabilities		**474.21**	**474.37**	**463.92**
Current liabilities				
Financial Liabilities				
Borrowings	2.12	-	-	115.24
Lease Liability	2.13	4.62	4.36	-
Trade payables	2.14			
Total outstanding dues of Micro & Small Enterprises		0.67	-	40.69
Total outstanding dues of Creditors other than Micro & Small Enterprises		20.72	36.48	392.95
Other financial liabilities	2.15	74.19	54.01	143.09
Other current liabilities	2.17	47.99	68.64	51.86
Provisions	2.16	70.37	38.16	42.96
Current Tax Liabilities (Net)			-	-
Total current liabilities		**218.56**	**201.65**	**786.80**
Total equity and liabilities		**1,681.68**	**1,759.60**	**3,205.04**

Accompanying notes form an integral part of the Standalone financial Statements 1

As per our report of even date

For and on behalf of the Board of Directors of

Dinesh Vyas
Director
DIN. 02550960

Arun Kumar Agarwal
Director
DIN. 06804309

Place: Thane
Date: Aug 05, 2020

H. & R. Johnson (India) TBK Ltd.

H. & R. Johnson (INDIA) TBK Limited

Standalone Statement of Profit & Loss for the period ended June 30, 2020

All amounts are in Rs. In lacs unless otherwise stated

Particulars	Notes	Year ended June 30, 2020	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations	2.18	284.11	3,275.53	2,915.35
Other income	2.19	19.83	122.31	143.83
Total Income		303.94	3,397.84	3,059.18
Expenses				
Purchase of stock-in-trade	2.20	226.05	2,510.74	2,279.79
Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.21	(18.50)	61.23	(25.04)
Employee benefits expense	2.22	108.50	482.43	476.65
Finance costs	2.23	9.38	43.54	40.37
Depreciation and amortization expense	2.24	1.98	8.75	4.78
Impairment loss on financial assets	2.25	23.03	898.76	564.46
Other expenses	2.26	48.72	262.47	188.53
Total Expenses		399.26	4,267.91	3,479.53
Profit / (loss) before exceptional items and tax		(95.32)	(870.07)	(420.35)
Exceptional items		-	-	-
Profit / (loss) before tax		(95.32)	(870.07)	(420.35)
Tax expenses	2.27			
Current tax		-	-	-
Deferred tax		(0.03)	3.11	9.21
		(0.03)	3.11	9.21
Profit / (loss) for the year from continuing operations		(95.29)	(873.18)	(429.56)
Profit / (loss) for the year from discontinued operations before tax		-	-	-
Tax expense of discontinued operations		-	-	-
Profit / (loss) for the year from discontinued operations (after tax)				-
Profit/ (loss) for the year		(95.29)	(873.18)	(429.55)
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurements of the defined benefit plans		0.83	3.31	(2.95)
Income tax/Deffered tax recognised in other comprehensive income		0.22	0.86	
		0.61	2.45	(2.95)
Total other comprehensive income		0.61	2.45	(2.95)
Total comprehensive income for the period		(94.68)	(870.73)	(432.50)
Earnings per equity share (for continuing operations) :				
Basic (in Rs.)	2.28	(59.18)	(542.28)	(266.77)
Diluted (in Rs.)		(59.18)	(542.28)	(266.77)
Earnings per equity share (for discontinued and continuing operations) :				
Basic (in Rs.)		(59.18)	(542.28)	(266.77)
Diluted (in Rs.)		(59.18)	(542.28)	(266.77)
Accompanying notes form an integral part of the Standalone financial Statements	1			

As per our report of even date

For and on behalf of the Board of Directors

Dinesh Vyas
Director
DIN: 02550960

Arun Kumar Agarwal
Director
DIN: 06404309

Place: Thane
Date: Aug 05, 2020

H. & R. Johnson (India) TBK Ltd.

H. & R. Johnson (INDIA) TBK Limited
Standalone Statement of changes in equity for the year ended June 30, 2020
All amounts are in Rs. In lacs unless otherwise stated

Particulars	Equity Share Capital	Other Equity: Reserve and Surplus: Capital reserve	Other Equity: Reserve and Surplus: Retained earnings	Other Equity: Items of Other Comprehensive Income: Remeasurements of the defined benefit plans	Other Equity: Items of Other Comprehensive Income: Items of Other Comprehensive income	Total Equity Attributable to Equity Shareholder
Balance at March 31, 2020	161.02	4,214.90	(3,305.52)	13.18	-	1,083.59
Changes in Equity for the Period ended June 2020						
Profit for the year	-	-	(95.29)	-	-	(95.29)
Other comprehensive income	-	-	-	0.61	-	0.61
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-
Balance as at June 30, 2020	161.02	4,214.90	(3,400.81)	13.79	-	988.91
Any other change (to be specified)	-	-	-	-	-	-
Balance at June 30, 2020	161.02	4,214.90	(3,400.81)	13.79	-	988.91

Accompanying notes form an integral part of the Standalone financial Statements 1

As per our report of even date

For and on behalf of the Board of Directors of

Dinesh Vyas
Director
DIN: 02550960

Arun Kumar Agarwal
Director
DIN: 06404309

Place: Thane
Date: Aug 05, 2020

H. & R. Johnson (India) TBK Ltd.

H. & R. Johnson (INDIA) TBK Limited
Notes to Standalone Financial Statements for the period ended Jun 30, 2020
All amounts are in Rs. In lacs unless otherwise stated

2.01 Property, plant and equipment :

Particulars		Gross Carrying Amount				Depreciation				Net Block	
		As at April 1, 2020	Addition	Disposal	As at Jun 30, 2020	As at April 1, 2020	For the Year	Elimination on disposal	As at Jun 30, 2020	As at Jun 30, 2020	As at March 31, 2020
Own Assets :											
Land - Freehold		3.38			3.38	-			-	3.38	3.38
Leasehold Improvements		18.59			18.59	12.85	0.19		13.04	5.55	5.74
Plant & Machinery		4.03			4.03	2.27	0.10		2.37	1.66	1.76
Computers		8.63			8.63	7.53	0.06		7.59	1.03	1.09
Furniture, Fixtures		21.79			21.79	17.21	0.31		17.52	4.27	4.58
Vehicles		-			-	-			-	-	-
Office Equipment		2.80			2.80	1.96	0.08		2.04	0.76	0.84
Sign Board		0.72			0.72	0.72			0.72	0.00	0.00
Total	(A)	59.93	-	-	59.93	42.53	0.74	-	43.27	16.66	17.40
Right of Use Assets :											
Building		19.85			19.85	4.96	1.24		6.20	13.65	14.89
Total	(B)	19.85	-	-	19.85	4.96	1.24	-	6.20	13.65	14.89
Total	(A+B)	79.78	-	-	79.78	47.50	1.98	-	49.48	30.30	32.28

H. & R. Johnson (India) TBK Ltd.

H. & R. Johnson (INDIA) TBK Limited

Notes to Standalone Financial Statements for the period ended Jun 30, 2020

All amounts are in Rs. In lacs unless otherwise stated

Particulars	Gross Carrying Amount				Depreciation				Net Block	
	As at April 1, 2019	Addition	Disposal	As at Mar 31, 2020	As at April 1, 2019	For the Year	Elimination on disposal	As at Mar 31, 2020	As at Mar 31, 2020	As at March 31, 2019
Own Assets :										
Land - Freehold	3.38	-	-	3.38	-	-	-	-	3.38	3.38
Leasehold Improvements	18.59	-	-	18.59	11.59	1.26	-	12.85	5.74	7.00
Plant & Machinery	4.03	-	-	4.03	1.85	0.42	-	2.27	1.76	2.18
Computers	8.62	0.01	0.01	8.63	7.07	0.46	-	7.53	1.09	1.55
Furniture, Fixtures	21.76	0.07	0.04	21.79	15.91	1.31	0.02	17.21	4.58	5.85
Vehicles	-	-	-	-	-	-	-	-	-	-
Office Equipment	2.72	0.19	0.11	2.80	1.64	0.33	0.02	1.96	0.84	1.08
Sign Board	0.72	-	-	0.72	0.72	-	-	0.72	0.00	0.00
Total (A)	59.81	0.27	0.15	59.93	38.78	3.79	0.04	42.53	17.40	21.03
Right of Use Assets :										
Building	-	19.85	-	19.85	-	4.96	-	4.96	14.89	-
Total (B)	-	19.85	-	19.85	-	4.96	-	4.96	14.89	-
Total (A+B)	59.81	20.12	0.15	79.78	38.78	8.75	0.04	47.50	32.28	21.03

Particulars	Gross Carrying Amount				Depreciation				Net Block	
	As at April 1, 2018	Addition	Disposal	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Land - Freehold	3.38	-	-	3.38	-	-	-	-	3.38	3.38
Leasehold Improvements	14.94	6.97	3.33	18.59	12.26	1.46	2.13	11.59	7.00	2.68
Plant & Machinery	4.03	-	-	4.03	1.43	0.42	-	1.85	2.18	2.60
Computers	8.05	0.57	-	8.62	5.94	1.13	-	7.07	1.55	2.11
Furniture, Fixtures	20.75	1.15	0.14	21.76	14.60	1.41	0.10	15.91	5.85	6.14
Vehicles	-	-	-	-	-	-	-	-	-	-
Office Equipment	2.40	0.32	-	2.72	1.27	0.38	-	1.64	1.08	1.13
Sign Board	0.72	-	-	0.72	0.72	-	-	0.72	0.00	0.00
Total	54.26	9.01	3.46	59.81	36.23	4.78	2.23	38.78	21.03	18.03

H. & R. Johnson (India) TBK Ltd. *

H. & R. Johnson (INDIA) TBK Limited
Notes to Standalone Financial Statements for the period ended June 30, 2020
All amounts are in Rs. in lakh unless otherwise stated

2.07 Non-current Investments

	As at June 30, 2020		As at May 31, 2020		As at March 31, 2019	
	Qty	Amount	Qty	Amount	Qty	Amount
Investments in Equity Instruments (fully paid-up)						
Unquoted						
Investment in Subsidiaries						
TBK Venkataramiah Tile Bath Kitchen Private Limited	10,000	1.00	10,000	1.00	10,000	1.00
TBK Samiyaz Tile Bath Kitchen Private Limited	55,000	57.99	55,000	57.99	55,000	55.49
TBK Rangoli Tile Bath Kitchen Private Limited	10,000	1.00	10,000	1.00	10,000	1.00
TBK Prathap Tile Bath Kitchen Private Limited - (from - 26/06/2020)	9,600	0.96	-	-	-	-
Provision for impairment in value of investments		-		-		[illegible]
Investment in Joint Ventures						
TBK Deepgiri Tile Bath Kitchen Private Limited	50,000	5.00	50,000	5.00	50,000	5.00
TBK P H Shah Tile Bath Kitchen Private Limited - (upto - 27/03/2020)	-	-	-	-	50,000	5.00
TBK Unique Ceramics Tile Bath Kitchen Private Limited	5,000	0.50	5,000	0.50	5,000	0.50
TBK Rishi Sales Agencies Private Limited - (upto - 14/11/2019)	-	-	-	-	5,000	0.50
TBK Prathap Tile Bath Kitchen Private Limited - (upto - 26/06/2020)	-	-	5,000	0.50	5,000	0.50
TBK Universal Home Private Limited - (upto - 24/06/2019)	-	-	-	-	25,000	2.50
TBK Florance Ceramics Private Limited	1,35,000	157.50	1,35,000	157.50	1,35,000	157.50
TBK Kumaran Tile Bath Kitchen Private Limited - (upto - 21/01/2019)	-	-	-	-	5,000	0.50
TBK Sanitary Sales Private Limited - (upto - 29/05/2020)	-	-	5,000	0.50	5,000	0.50
TBK Koda Ceramics Private Limited - (upto - 27/10/2019)	-	-	-	-	5,000	0.50
TBK Shree Ganesh Traders Private Limited - (upto - 14/11/2019)	-	-	-	-	5,000	0.50
TBK Ashirwad Tile Bath Kitchen Private Limited - (upto - 24/06/2019)	-	-	-	-	5,000	0.50
TBK Ra Kamal Tile Bath Kitchen Private Limited - (upto - 24/06/2019)	-	-	-	-	5,000	0.50
TBK Home Trends Private Limited - (upto - 15/10/2019)	-	-	-	-	5,000	0.50
TBK Select Ceramics Private Limited - (upto - 25/08/2018)	-	-	-	-	5,000	0.50
Quoted						
Equity Shares of Aegis Logistics Limited	10	-	10	0.00	10	0.00
Equity Shares of Empire Plastic India Limited	22	-	22	0.00	22	0.00
Equity Shares of Core Healthcare Limited	2	-	2	0.00	2	0.00
Equity Shares of Kansai Nerolac Paints Limited	20	-	20	0.00	20	0.00
Equity Shares of La Opala RG Limited	20	-	20	0.00	20	0.00
Equity Shares of Madhav Marbles & Granites Limited	7	-	1	0.00	1	0.00
Equity Shares of [illegible] Limited	1	-	1	0.00	1	0.00
Equity Shares of [illegible] Enterprises Limited	1	-	1	0.00	1	0.00
(A)		403.97		404.06		323.33
Unquoted						
TBK Tile House Private Limited	100	0.01	100	0.01	100	0.01
[illegible] Ceramics Private Limited	100	0.01	100	0.01	100	0.01
TBK Sai Ram Tile Bath Kitchen Private Limited	500	0.05	500	0.05	500	0.05
TBK Sridhar Tile Bath Kitchen Private Limited	100	0.01	100	0.01	-	-
TBK Ra Kamal Tile Bath Kitchen Private Limited	100	0.01	100	0.01	-	-
TBK Universal Home Private Limited	500	0.05	500	0.05	-	-
TBK Select Ceramics Private Limited	100	0.01	100	0.01	-	-
TBK P H Shah Tile Bath Kitchen Private Limited	2,500	0.25	2,500	0.25	-	
TBK Sanitary Sales Private Limited - (from - 29/05/2020)	100	0.01				
TBK Shree Ganesh Traders Private Limited	100	0.01	100	0.01	-	-
(B)		0.37		0.36		0.07
Investments in Preference Shares						
Unquoted						
TBK P H Shah Tile Bath Kitchen Private Limited	25,000	20.63	25,000	20.63	25,000	24.61
TBK Koda Ceramics Private Limited	12,500	10.33	12,500	10.33	12,500	10.33
TBK Universal Home Private Limited	60,000	49.75	60,000	49.75	60,000	49.75
(C)		80.75		80.71		84.74
Total non - current investments (A + B + C)		485.09		485.13		408.12

H. & R. Johnson (INDIA) TBK Limited
Notes to Standalone Financial Statements for the period ended Jun 30, 2020
All amounts are in Rs. in lakhs unless otherwise stated

2.61 Trade Receivables	Non Current			Current		
	As at Jun 30, 2020	As at May 31, 2020	As at March 31, 2019	As at Jun 30, 2020	As at May 31, 2020	As at March 31, 2019
Trade receivable considered good - Secured	-	-	-	-	-	-
Trade receivable considered good - Unsecured	-	-	-	86.87	154.42	353.26
Trade receivable which have significant increase in Credit Risk	-	-	-	0.02	0.03	17.23
	-	-	-	86.89	154.45	370.49
Allowance for doubtful debts (expected credit loss)	-	-	-	0.02	0.03	17.23
Trade receivable - credit impaired	-	-	-	-	-	-
Total	-	-	-	86.87	154.42	353.26

2.64 Loans	Non Current			Current		
	As at Jun 30, 2020	As at May 31, 2020	As at March 31, 2019	As at Jun 30, 2020	As at May 31, 2020	As at March 31, 2019
Security Deposits						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	24.03	23.03	21.77	-	-	-
Doubtful	-	-	-	-	-	-
	24.03	23.03	21.77	-	-	-
Less : Impairment of deposits	-	-	-	-	-	-
(A)	24.03	23.03	21.77	-	-	-
0.01% Non Convertible Redeemable Preference Share	20.48	20.80	20.42	-	-	-
Loans to Subsidiaries & Joint Venture						
Loans receivable considered good - Secured	-	-	-	-	-	-
Loans receivable considered good - Unsecured	206.50	228.05	1,057.41	-	-	-
Loans receivable which have significant increase in Credit Risk	214.03	293.99	134.00	-	-	-
	420.53	522.04	1,191.41	-	-	-
Less : Allowance for impairment loss on loans	116.52	207.24	134.00	-	-	-
Loans receivable - credit impaired	-	-	-	-	-	-
(B)	303.47	314.59	1,057.43	-	-	-
Loans to others						
Loans receivable considered good - Secured	-	-	-	-	-	-
Loans receivable considered good - Unsecured	261.06	228.66	-	-	-	-
Loans receivable which have significant increase in Credit Risk	177.04	152.48	35.62	-	-	-
	281.66	305.04	35.62	-	-	-
Less : Allowance for impairment loss on loans	131.46	131.08	16.40	-	-	-
Loans receivable - credit impaired	-	-	-	-	-	-
(C)	149.58	173.56	17.28	-	-	-
Total (A + B + C)	587.06	549.70	1,133.48	-	-	-

2.65 Other financial assets	Non Current			Current		
	As at Jun 30, 2020	As at May 31, 2020	As at March 31, 2019	As at Jun 30, 2020	As at May 31, 2020	As at March 31, 2019
Unsecured						
Security deposits	2.40	2.10	1.75	-	-	
Interest receivable on Fixed Deposits	0.32	0.16		-	-	-
Interest receivable considered good - Secured	-	-	-	-	-	-
Interest receivable considered good - Unsecured	125.80	144.05	583.64	-	-	-
Interest receivable which have significant increase in Credit Risk	195.76	281.17	127.71	-	-	-
	321.02	425.23	711.35	-	-	-
Less : Allowance for impairment loss on interest	171.05	260.22	127.71	-	-	-
Interest receivable - credit impaired	-	-	-	-	-	-
	149.52	165.00	583.64	-	-	-
Other receivable considered good - Secured	-	-	-	-	-	-
Other receivable considered good - Unsecured	-	-	-	47.08	62.70	139.11
Other receivable which have significant increase in Credit Risk	-	-	-	47.45	45.88	29.57
	-	-	-	94.53	108.58	168.68
Less : Allowance for impairment loss on Receivables	-	-	-	46.26	45.07	29.57
Other receivable - credit impaired	-	-	-	-	-	-
Total	152.11	167.27	585.39	48.27	63.51	139.11
Other Receivables						
Due from subsidiaries				51.46	66.42	85.75
Due from joint venture				3.07	39.16	29.53
Total				94.53	105.58	166.66

2.66 Deferred tax assets/ liabilities (net)	As at Jun 30, 2020	As at May 31, 2020	As at March 31, 2019
Deductible temporary differences			
Unabsorbed Depreciation as per Income Tax	32.45	33.27	36.54
Defined benefit and other Long Term Benefit obligation	21.00	20.40	21.10
Net deferred tax asset/ (liabilities)	53.45	53.67	57.64

H. & R. Johnson (India) TBK Ltd.

H. & R. Johnson (INDIA) TBK Limited
Notes to Standalone Financial Statements for the period ended Jun 30, 2020
All amounts are in Rs. In lacs unless otherwise stated

2.07 Other assets

	Non Current			Current		
	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Security Deposits						
Advances to related parties	-	-	-	-	-	-
Advances to other parties	-	-	-	33.67	6.52	2.61
Tax refund receivable	33.55	62.72	126.65	-	-	63.45
VAT credit Receivable	37.56	37.52	37.51	-	-	-
GST credit Receivable	-	-	-	26.05	15.35	47.57
Prepaid expenses	-	-	-	1.01	4.69	5.72
Deposit with statutory authorities (Net of provisions)	8.33	8.33	8.33	-	-	-
Others	-	-	-	2.68	4.85	4.38
	79.44	108.76	160.46	56.75	25.21	117.72

2.08 Inventories

	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Finished goods	146.51	128.11	189.11
Goods-in-transit			
Total inventories at the lower of cost and net realisable value	146.51	128.11	189.11

2.09 Cash and Bank Balances

	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Cash and cash equivalent			
Balances with banks			
On current accounts	34.23	4.79	13.93
On Cash Credit	21.06	11.88	-
Cash on hand	0.04	0.39	0.03
	55.33	17.07	13.96

2.10 Share capital

	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Authorised share capital :			
5,00,000 (March 31, 2019 : 5,00,000) equity shares of Rs 100/- each	500.00	500.00	500.00
	500.00	500.00	500.00
Issued and subscribed capital comprises :			
1,61,020 (March 31, 2019 : 1,61,020) equity shares of Rs 100/- each (fully paid up)	161.02	161.02	161.02
Total issued, subscribed and fully paid-up share capital	161.02	161.02	161.02

a. Reconciliation of shares outstanding as at the beginning and at the end of the reporting period.
Separate reconciliation should be prepared for each Class of Shares)

Equity shares	As at Jun 30, 2020		As at Mar 31, 2020		As at March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	1,61,020	161.02	1,61,020	161.02	1,61,020	161.02
Outstanding at the end of the period	1,61,020	161.02	1,61,020	161.02	1,61,020	161.02

b. Details of share holders holding more than 5% shares in the company

	As at Jun 30, 2020		As at Mar 31, 2020		As at March 31, 2019	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Equity shares of Rs. 100 each fully paid						
Name of the Shareholder						
Prism Johnson Limited	1,61,020	100%	1,61,020	100%	1,61,020	100%

2.11 Other equity

	As at Jun 30, 2020	As at March 31, 2020	As at March 31, 2019
Retained earnings	(3,387.01)	(3,292.33)	(2,421.60)
Capital reserve	4,214.90	4,214.90	4,214.90
	827.89	922.57	1,793.30
Retained earnings			
Balance at beginning of year	(3,292.33)	(2,421.60)	(1,986.10)
Profit for the year	(95.29)	(873.16)	(429.55)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	0.61	2.43	(5.95)
Balance as at the end of the year	(3,387.01)	(3,292.33)	(2,421.60)
Capital reserve			
Balance as at the beginning of the year	4,214.90	4,214.90	4,214.90
Movement during the year	-	-	-
Balance as at the end of the year	4,214.90	4,214.90	4,214.90
Total other equity	827.89	922.57	1,793.30

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H. & R. Johnson (India) TBK Ltd

H. & R. Johnson (INDIA) TBK Limited
Notes to Standalone Financial Statements for the period ended Jun 30, 2020
All amounts are in Rs. In lacs unless otherwise stated

2.12 Borrowings

	Non Current			Current		
	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Secured						
Loans repayable on demand						
- Cash Credit	-	-	-	-	-	115.24
Unsecured						
Term Loans	-	-	-	-	-	-
Inter-corporate deposits	400.00	400.00	400.00	-	-	-
	400.00	400.00	400.00	-	-	115.24

(a) Terms of Repayment for borrowings:

Nature of Borrowing	Nature	Security	Terms of Repayment	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
1 Cash Credit - HDFC Bank	Secured	Book debts & Stock	Repayable on demand	-	-	115.24
2 Inter Corporate Deposit	Unsecured	-	Repayable by 31/12/2021	400.00	400.00	400.00

2.13 Lease Liabilities

	Non Current			Current		
	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Building	16.71	12.03	-	4.12	4.36	-
	16.71	12.03	-	4.12	4.36	-

2.14 Trade payables

	Non Current			Current		
	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Total outstanding dues of Micro Enterprises & Small Enterprises	-	-	-	5.67	-	42.65
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	-	-	-	25.72	36.48	393.00
	-	-	-	31.39	36.48	435.65

2.15 Other financial liabilities

	Non Current			Current		
	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Interest accrued but not due on loans	-	-	-	16.36	8.66	80.11
Security deposits from others	3.00	3.00	3.00	-	-	-
Salary and Employee benefits payable	-	-	-	30.24	27.09	9.41
Liability for expenses	-	-	-	25.50	16.66	31.74
Others	-	-	-	2.09	1.60	2.52
	3.00	3.00	3.00	74.19	54.01	143.01

2.16 Provisions

	Non Current			Current		
	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Employee benefits						
Provision for Gratuity	35.71	35.06	34.34	4.60	4.25	4.41
Provision for Leave Encashment	24.77	24.33	26.58	4.46	4.91	5.45
Provision for Bonus	-	-	-	11.23	5.98	10.33
	60.48	59.39	60.92	20.29	15.12	20.24
Others						
Provision for Expenses	-	-	-	50.08	19.04	22.72
	-	-	-	50.08	19.04	22.72
	60.48	59.39	60.92	70.37	34.16	42.96

2.17 Other liabilities

	Non Current			Current		
	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Advance from customers	-	-	-	30.00	50.02	31.75
Statutory liabilities	-	-	-	12.43	13.61	20.32
	-	-	-	42.95	63.64	51.86

H. & R. Johnson (India) TBK Ltd.

H. & R. Johnson (INDIA) TBK Limited
Notes to Standalone Financial Statements for the period ended Jun 30, 2020
All amounts are in Rs. In lacs unless otherwise stated

2.18 Revenue from operations	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Revenue from operations			
Sale of products	230.11	3,058.92	2,676.38
Sale of Services	54.00	216.00	216.00
Other operating revenue	-	0.61	22.97
Revenue from operations	284.11	3,275.53	2,915.35

2.19 Other Income	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Interest Income on			
Bank Deposits	0.15	0.02	0.18
Interest on Loans	7.36	67.91	127.06
Dividend on Reedemable Preference Shares	0.67	2.38	2.18
Other non - operating income			
Rebate & Discount	9.11	27.96	13.03
Interest on Income tax refund	2.40	21.37	-
Miscellaneous Income	0.14	2.67	1.38
	19.83	122.31	143.83

2.20 Purchases of Stock-in-trade	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Tiles	226.05	2,321.74	1,895.28
Others	-	189.00	384.52
	226.05	2,510.74	2,279.79

2.21 (Increase) /decrease in inventories	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Inventories at the end of the year			
Finished goods	146.51	128.11	189.33
	146.51	128.11	189.33
Inventories at the beginning of the year			
Finished goods	128.11	189.33	114.29
	128.11	189.33	114.29
	(18.40)	61.23	(75.04)

2.22 Employee Benefits Expense	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Salaries, wages and bonus	101.61	450.18	464.21
Contribution to provident and other fund	5.00	21.22	20.35
Gratuity	1.88	7.51	6.09
Leave encashment	-	(0.00)	(18.37)
Staff welfare expenses	0.01	3.52	4.37
	108.50	482.43	476.65

2.23 Finance Costs	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Interest on Loan	8.98	36.07	36.00
Lease Liability	0.40	1.83	-
Interest on Cash Credit	-	5.64	4.37
	9.38	43.54	40.37

2.24 Depreciation and amortization expense	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Depreciation of property, plant and equipment	0.74	3.79	4.78
Depreciation and amortisation on lease assets	1.24	4.96	-
	1.98	8.75	4.78

2.25 Impairment loss on financial assets	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Impairment loss allowance on trade receivables	-	-17.21	-
Impairment loss allowance on other financial assets	23.03	915.97	564.44
Impairment loss allowance on other financial assets in respect of earlier years	201.69	226.24	236.43
Reversal of Impairment loss allowance on other financial assets in respect of earlier years	(201.69)	-226.24	-236.43
	23.03	898.76	564.44

H. & R. Johnson (India) TBK Ltd.

H. & R. Johnson (INDIA) TBK Limited
Notes to Standalone Financial Statements for the period ended Jun 30, 2020
All amounts are in Rs. In lacs unless otherwise stated

2.26 Other Expenses	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
Rent and Maintenance	17.42	102.57	56.91
Rates & Taxes	13.51	2.20	0.90
Travelling & Communication Expenses	2.66	29.44	31.73
Discounts, incentives and commission on sales	0.36	13.68	5.46
Advertisement, Sales promotion and Other marketing expenses	-	3.85	9.35
Transit Insurance	4.11	9.24	11.36
Freight outward	1.17	36.53	25.71
Audit Fees	1.19	4.75	4.75
Fixed Assets Written off	-	0.12	1.24
Bad Debts	-	17.17	1.66
Power & Fuel	0.35	6.58	2.59
Legal & Professional Charges	5.95	19.66	23.91
Repairs others	1.09	5.23	6.52
Bank Charges	0.22	1.07	0.97
Miscellaneous Expenses	0.78	10.39	5.69
	48.72	262.47	188.53

Payment to Auditors	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
As auditor			
Audit fee	1.19	4.75	4.75
	1.19	4.75	4.75

2.27 Tax expenses	As at Jun 30, 2020	As at Mar 31, 2020	As at March 31, 2019
(a) Income tax expenses :			
Current tax assets			
In respect of the current year	-	-	-
In respect of prior years	-	-	-
Others	-	-	-
	-	-	-
Deferred tax			
In respect of the current year	-0.03	3.11	9.21
Others	-	-	-
	(0.03)	3.11	9.21
Total income tax expense recognised in the current year	(0.03)	3.11	9.21
(b) Income tax recognised in other comprehensive income			
Remeasurements of the defined benefit plans	0.22	0.86	-
	0.22	0.86	-

H. & R. Johnson (India) TBK Ltd. *

Borkar & Muzumdar
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT
To the Members of MILANO BATHROOM FITTINGS PRIVATE LIMITED.
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of MILANO BATHROOM FITTINGS PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss (including Other Comprehensive Income), 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, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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

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

BORKAR & MUZUMDAR
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CHARTERED ACCOUNTANTS

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Kolkata • Mira Road • Nagpur • Patna • Pune • Raipur

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the

BORKAR & MUZUMDAR
MUMBAI
F. R. NO.
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CHARTERED ACCOUNTANTS

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

BORKAR & MUZUMDAR
MUMBAI
F. R. NO.
101569W
CHARTERED ACCOUNTANTS

(e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the provisions of the Section are not applicable to the Company.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 2.32 to the financial statements.

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

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

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

Deepak Kumar Jain
Partner
M.No: 154390
UDIN: 20154390AAAAES3464

Place: Mumbai
May 22, 2020

BORKAR & MUZUMDAR
MUMBAI
F. R. NO.
101569W
CHARTERED ACCOUNTANTS

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MILANO BATHROOM FITTINGS PRIVATE LIMITED of even date)

The Annexure referred to in Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2020, we report that:

i. **Property, Plant & Equipment.**

a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant & equipment;

b. As explained to us, all the property, plant & equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size and nature of the Company. Discrepancies notices on such physical verification have been properly dealt in the books of accounts;

c. According to the information and explanation given to us and on the basis our examination of the records of the Company, we report that, in respect of immovable properties of land and building that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of Company. Company does not own any Freehold land in the names of Company.

ii. **Inventories**

During the Operating cycle of Company, management regularly conduct physical verification of Finished Goods, Packing Material and Stores and Spares which in our opinion is reasonable, having regard to the size and nature of the Company. The discrepancies noticed on such verification were not significant and the same have been properly dealt with in the books of account.

iii. 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 clause iii (a) to (c) of the Order, is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has not made any investment, provided any Loan, security and guarantee, so provision of Section 185 and 186 of the Companies Act, 2013 is not applicable.

v. The Company has not accepted any deposits from Public.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the Services provided by the Company.

vii. **Statutory Dues**

a. According to our information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, pension scheme, employees' state

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insurance, duty of customs, income tax, goods and service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employee's state insurance.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, pension scheme, employees' state insurance, duty of customs, income tax, goods and service tax, cess and any other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us, there are no material dues of Income Tax, Cess and Provident fund, Pension Scheme, Goods and Service tax, which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of duty of excise, which have not been deposited by the Company on account of disputes:

Name of the statute	**Nature of Dues**	**Amount (in Rs Lacs)***	**Forum where dispute is pending**
Central Excise and Service Tax	April 2013 to Sep 2015	34.04	Commissioner Appeals, Central Excise, Chandigarh
Central Excise and Service Tax	October 2015 to March 2017	16.82	Commissioner Appeals, Central Excise, Chandigarh
Central Excise and Service Tax	June 2012 to Dec 2013	1.50	Customs, Excise and Service Tax Tribunal, Chandigarh

* (1) Net of Amount paid under Protest.

viii. In our opinion and according to the information and explanation given to us the Company has not defaulted in repayment of loans or borrowings to a financial institutions or bank. The Company has not issued any debentures.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

BORKAR & MUZUMDAR
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F. R. NO.
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xi. According to the information and explanations give to us and based on our examination of the records of the Company, the provisions of Section 197 read with Schedule V to the Companies Act, 2013 is not applicable to Company.

xii. In our opinion and according to the information and explanation given to us, 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 the Section 188 of the Companies Act, 2013. Details of transactions with the related parties have been disclosed in the financial statements as required by applicable Indian Accounting Standard. However, the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.

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 him. 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 Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

Deepak Kumar Jain
Partner
M.No: 154390
UDIN: 20154390AAAAES3464

BORKAR & MUZUMDAR
MUMBAI
F. R. NO. 101569W
CHARTERED ACCOUNTANTS

Place: Mumbai
May 22, 2020

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MILANO BATHROOM FITTINGS PRIVATE LIMITED of even date)

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 MILANO BATHROOM FITTINGS PRIVATE LIMITED ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls
The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 ICAI 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.

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F.R. NO.
101569W
CHARTERED ACCOUNTANTS

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, to the best of our information and according to the explanations given to us, 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 31 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 Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

Deepak Kumar Jain
Partner
M.No: 154390
UDIN: 20154390AAAAES3464

Place: Mumbai
May 22, 2020

BORKAR & MUZUMDAR
MUMBAI
F. R. NO.
101569W
CHARTERED ACCOUNTANTS

Milano Bathroom Fittings Private Limited

Balance Sheet as at March 31, 2020

All amounts are in Lakhs unless otherwise stated

	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	2.01	598.77	644.23
Capital work-in-progress	2.02	1.44	1.50
Financial assets			
Investments	2.03	1.00	1.00
Loans	2.05	20.25	19.27
Other financial assets	2.06	-	-
Deferred tax assets (Net)	2.07	304.72	345.08
Other non-current assets	2.08	89.02	176.96
Total non-current assets		1,015.21	1,188.04
Current Assets			
Inventories	2.09	865.43	848.39
Financial Assets			
Investments			
Trade Receivables	2.04	2,623.23	2,800.87
Cash and cash equivalents	2.10	2.51	1.03
Other financial assets	2.06	0.36	0.40
Current tax assets (Net)	2.11	4.78	
Other current assets	2.08	80.65	130.41
Total current assets		3,576.96	3,781.10
Total assets		4,592.17	4,969.14
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	2.12	72.45	72.45
Other Equity	2.13	3,567.93	3,144.48
Total equity		3,640.38	3,216.93
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	2.14	88.26	84.13
Other financial liabilities	2.16	3.49	3.36
Provisions	2.17	50.43	39.22
Deferred tax liabilities (Net)			
Other non-current liabilities	2.18	27.09	33.46
Total non-current liabilities		169.28	160.17
Current liabilities			
Financial Liabilities			
Borrowings	2.14	325.30	997.01
Trade payables			
Total outstanding dues of Micro Enterprises & Small Enterprises	2.15	111.18	128.74
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	2.15	258.77	333.89
Other financial liabilities	2.16	43.09	46.69
Other current liabilities	2.18	7.54	47.05
Provisions	2.17	36.63	28.84
Current Tax Liabilities (Net)		-	9.83
Liabilities directly associated with assets classified as held for sale			
Total current liabilities		782.51	1,592.05
Total equity and liabilities		4,592.17	4,969.14

Summary of significant accounting policies 1.00

Refer accompanying notes. These notes are an integral part of the financial statements

As per our report of even date
For Borkar & Muzumdar
Chartered Accountants
Firm Reg No. 101569W

Deepak Kumar Jain
Partner
M. No 154390
Place : Mumbai
Date : 22 May 20

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

For and on behalf of the Board

Pankaj Sharma
Director
DIN 07457710

Manish Bhatia
Director
DIN 00748640

Place : Mumbai
Date : 22 May '20

Milano Bathroom Fittings Private Limited

Statement of Profit or Loss and Other Comprehensive Income for the year ended March 31, 2020

All amounts are in Lakhs unless otherwise stated

	Notes	Year Ended March 31, 2020	Year Ended March 31, 2019
Revenue from operations	2.19	5,640.19	5,654.45
Other income	2.20	128.13	193.61
Total Income		**5,768.32**	**5,848.06**
Expenses			
Cost of materials consumed	2.21	3,838.26	3,812.44
Purchase of stock-in-trade		-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.22	135.28	127.06
Excise duty on sale of goods			-
Manufacturing expenses	2.23	128.96	131.95
Employee benefits expense	2.24	834.37	733.83
Finance costs	2.25	104.98	163.94
Depreciation and amortization expense	2.26	64.28	87.39
Other expenses	2.27	89.58	104.46
Total Expenses		**5,195.71**	**5,161.08**
Profit / (loss) before exceptional items and tax		572.60	686.99
Exceptional items		-	-
Profit / (loss) before tax		**572.60**	**686.99**
Tax expenses	2.28		
Current tax		102.74	142.79
Deferred tax		42.04	-84.78
Income-tax liability/(write back) of earlier years			
		144.78	**58.01**
Profit / (loss) for the period from continuing operations		**427.82**	**628.98**
Profit / (loss) for the period from discontinued operations before tax			
Tax expense of discontinued operations			
Profit / (loss) for the period from discontinued operations (after tax)		-	-
Profit/ (loss) for the period		**427.82**	**628.98**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		6.05	-0.24
Equity instruments through other comprehensive income			
		6.05	-0.24
Income tax relating to items that will not be reclassified to profit or loss		**-1.68**	**-0.05**
Total other comprehensive income		**4.37**	**-0.19**
Total comprehensive income for the period		**423.45**	**628.79**
Earnings per equity share (for continuing operations) :			
Basic (in)		590.54	868.20
Diluted (in)		590.54	868.20
Earnings per equity share (for discontinued operations) :			
Basic (in)		-	-
Diluted (in)		-	-
Earnings per equity share (for discontinued and continuing operations) :			
Basic (in)		590.54	868.20
Diluted (in)		590.54	868.20

The notes form an integral part of the financial statements 1.00

As per our report of even date
For Borkar & Muzumdar
Chartered Accountants
Firm Reg No. 101569W

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

Deepak Kumar Jain
Partner
M. No 154390
Place : Mumbai
Date : 22 May 20

For and on behalf of the Board

Pankaj Sharma
Director
DIN 07457710
Place: Mumbai
Date : 22 May 20

Manish Bhatia
Director
DIN 00748640

Milano Bathroom Fittings Private Limited
Cash Flow for the period ended 31st March 2020
All amounts are in Lakhs unless otherwise stated

	Period ended March 31,	
	2020	**2019**
Cash flow from operating activities		
Profit Before Tax from Continuing Operations	572.60	686.99
Profit Before Tax from Discontinuing Operations	-	-
Profit before income tax including discontinued operations	**572.60**	**686.99**
Non-cash Adjustment to Profit Before Tax:		
Depreciation and amortization expense	64.28	87.39
Interest income	(34.92)	(14.10)
Other Adjustments	(6.05)	0.24
Finance costs	104.98	163.94
Net exchange differences	-	-
	700.90	924.46
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	177.65	(677.21)
Decrease/(increase) in inventories	(17.04)	242.95
Increase/(decrease) in trade payables	(92.68)	148.56
Decrease/(increase) in other financial assets - Loan	(0.98)	(0.84)
Decrease/(increase) in other non-current assets	87.94	(132.16)
Decrease/(increase) in other current assets	49.80	(5.82)
Increase/(decrease) in provisions	18.99	4.41
Increase/(decrease) in employee benefit obligations	(3.57)	1.43
Increase/(decrease) in other current liabilities	(45.89)	(15.93)
Increase/(decrease) in other non current liabilities		
Cash generated from operations	174.21	(434.60)
Direct taxes paid (net of refunds)	-117.33	-168.70
Net cash flow from/(used in) operating activities (A)	757.78	321.16
Cash flow from investing activities		
Payments for acquisition of property, plant and equipment including capital advances	(26.37)	(13.28)
Proceeds from sale of property, plant and equipment	7.61	1.21
Interest received	34.92	14.10
Dividend received		
Net cash flow from/(used in) investing activities (B)	16.16	2.02
Cash flows from financing activities		
Proceeds from borrowings		
Repayments of borrowings	(0.98)	(0.99)
Finance Lease Payment	(0.40)	(0.39)
Repayment of Non Cumulitive Preference Share	5.22	(157.40)
Proceeds from Issue of Shares including share premium net of share issue expenses	-	
Repayment of short-term borrowings	(671.71)	(1.19)
Interest paid	(104.58)	(163.55)
Net cash flow from/(used in) financing activities (C)	(772.46)	(323.53)
Net increase/(decrease) in cash and cash equivalents (A+B+ C)	1.48	(0.34)
Effect of exchange differences on cash & cash equivalent held in foreign currency		
Cash and cash equivalents at the beginning of the year	1.03	1.37
Cash and cash equivalents at the end of the year	2.51	1.03
Non-cash financing and investing activities		
Acquisition of property, plant and equipment by means of finance lease	-	-
	-	-
Reconciliation of cash and cash equivalents as per the cash flow statement :		
Cash and cash equivalents	2.51	1.03
Bank overdrafts	-	-
Balance as per the cash flow statement :	2.51	1.03

The notes form an Integral part of the financial statements

As per our report of even date
For Borkar & Muzumdar
Chartered Accountants
Firm Reg No. 101569W

For and on behalf of the Board

Deepak Kumar Jain
Partner
M. No 154390

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

Pankaj Sharma — **Director** — **DIN 07457710**
Mahish Bhatia — **Director** — **DIN 00748640**

Place : Mumbai
Date : 22 May 20

Place: Mumbai
Date : 22 May 20

Milano Bathroom Fittings Private Limited

Standalone Statement of changes in equity for the year ended Mar 31, 2020

All amounts are in Rs. Lacs unless otherwise stated

Particulars	Equity Share Capital	Other Equity				Items of Other Comprehensive Income	Total - Equity attributable to Equity Shareholder
		Reserve and Surplus					
		Capital Redemption reserve	Security Premium	Capital Reserve	Retained earnings	Remeasurements of the defined benefit plans	
Balance at March 31, 2019	72.45	225.00	230.00	235.93	2,457.99	-4.45	3,216.92
Redemption for the Year							-
Profit for the year	-				427.82		427.82
Other comprehensive income	-					-4.37	-4.37
Total comprehensive income for the year	72.45	225.00	230.00	235.93	2,885.81	-8.83	3,640.37

Accompanying notes form an integral part of Standalone Financial Statements

As per our report of even date

For and on behalf of
Borkar & Muzumdar
Chartered Accountants
Firm Reg. no 101569W

Deepak Kumar Jain
Partner
M. No. 154390

Place: Mumbai
Date: 22 May 20

BORKAR & MUZUMDAR
MUMBAI
F.R. NO.
101569W
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Pankaj Sharma
Director
DIN 07457710

Manish Bhatia
Director
DIN 00748640

Place: Mumbai
Date: 22 May 20

Milano Bathroom Fittings Private Limited
Notes to Financial Statements for the year ended March 31. 2020
All amounts are in Lakhs unless otherwise stated

2.01 Property, plant and equipment :

	Gross Block				Depreciation				Net Block	
	As at April 1, 2019	Addition	Disposal	As at Mar 31, 2020	As at April 01, 2019	For the Period	Elimination on disposal	As at Mar 31, 2020	As at March 31, 2020	As at March 31, 2019
Own Assets:										
Land - Freehold										
Buildings	403.67	-	-	403.67	56.81	14.24	-	71.05	332.62	346.86
Plant and Machinery	357.83	8.41	64.34	301.89	150.83	29.06	56.94	122.95	178.94	207.00
Electric Installations	48.77	-	-	48.77	26.08	6.16	-	32.24	16.53	22.69
Furniture & Fixtures	9.97	-	1.65	8.32	3.67	1.47	1.56	3.59	4.73	6.30
Computers	2.45	-	0.10	2.34	1.51	0.17	0.10	1.58	0.76	0.93
Vehicles	10.94	-	-	10.94	3.35	1.42	-	4.77	6.17	7.59
Tools & Dies	32.51	16.98	7.69	41.81	27.03	9.99	7.69	29.33	12.48	5.48
Office Equipment	10.28	1.05	0.87	10.46	6.12	1.25	0.75	6.61	3.85	4.17
Total ....A	**876.42**	**26.44**	**74.65**	**828.20**	**275.40**	**63.76**	**67.04**	**272.12**	**556.08**	**601.02**
Assets taken on Finance Lease:										
Land	45.27	-	-	45.27	2.06	0.52		2.58	42.69	43.21
Plant and Machinery		-	-	-	-	-	-	-	-	-
Total ....B	**45.27**	-	-	**45.27**	**2.06**	**0.52**	-	**2.58**	**42.69**	**43.21**
Total .... A+B	**921.68**	**26.44**	**74.65**	**873.47**	**277.46**	**64.28**	**67.04**	**274.70**	**598.77**	**644.23**

Note on Impairment losses will be stated

Assets pledged as security :
Freehold/Leasehold land and buildings with a carrying amount of Rs.43.21 Lacs (as at March 31, 2018: Rs.43.72 Lacs) have been pledged to secure borrowings.

2.02 **Capital Work in Progress:**

BORKAR & MUZUMDAR
MUMBAI
F. R. NO.
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CHARTERED ACCOUNTANTS

									Net Block	
									As at Mar 31, 2020	As at March 31, 2019
									1.44	1.50
Total	-	-	-	-	-	-	-	-	1.44	1.42

Milano Bathroom Fittings Private Limited

Notes to Financial Statements for the year ended March 31, 2020

All amounts are in Lakhs unless otherwise stated

2.03 Non-current Investments

		As at Mar 31 2020		As at Mar 31 2019	
		Qty	Amount	Qty	Amount
Investments in Equity Instruments (fully paid-up)					
Other Investments		10,000	1.06	10,000	1.06
	(A)	10,000	1.06	10,000	1.06
Total non - current investments (A)		10,000	1.06	10,000	1.06
Aggregate amount of unquoted investments			1.06		1.06

2.04 Trade Receivables

	Non Current As at Mar 31, 2020	Non Current As at Mar 31, 2019	Current As at Mar 31, 2020	Current As at Mar 31, 2019
Unsecured, considered good	-	-	2,623.23	2,896.87
Doubtful				
	-	-	2,623.23	2,896.87
Allowance for doubtful debts (expected credit loss)				-
Total	-	-	2,623.23	2,896.87

2.05 Loans

		Non Current As at Mar 31, 2020	Non Current As at Mar 31, 2019	Current As at Mar 31, 2020	Current As at Mar 31, 2019
Security Deposits					
Unsecured, considered good		20.25	19.27	-	-
		20.25	19.27	-	-
Less : Impairment of deposits			-	-	
	(A)	20.25	19.27	-	-
Total (A)		20.25	19.27	-	-

2.06 Other financial assets

	Non Current As at Mar 31, 2020	Non Current As at Mar 31, 2019	Current As at Mar 31, 2020	Current As at Mar 31, 2019
Other accrued interest	-		0.36	0.40
Total	-	-	0.36	0.40

2.07 Deferred tax assets/ liabilities (net)

	As at Mar 31, 2020	As at Mar 31, 2019
Deductible temporary differences		
Unabsorbed Depreciation as per Income Tax	26.02	28.41
Other financial liabilities		
Others		
	26.02	28.41
Taxable temporary differences		
Unabsorbed Depreciation as per Income Tax	-	
Expenses provided but allowable in Income Tax on payment	24.22	18.94
Others	7.59	9.36
	31.81	28.29
Unused Tax Credits		
Mat Credit Entitlement	298.93	345.2[illegible]
Net deferred tax asset/ (liabilities)	-304.72	-345.08

Movement in deferred tax Account during the year is as follows:

	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive Income	Recognised directly in equity	Acquisitions/ Disposals	Closing Balance
2019-20 :						
Deferred tax (liabilities)/assets in relation to :						
Unabsorbed Depreciation as per Income Tax	28.41	-2.39	-	-		26.02
Expenses provided but allowable in Income Tax on payment	18.94	3.60	-1.68	-	-	-24.22
Others	-9.35	1.77				7.57
	0.11	-4.72	-1.68	-	-	-5.79
Tax losses						
Mat Credit Entitlement	345.20	46.26	-	-	-	298.93
	-345.20	46.26	-	-	-	-298.93
	-345.08	42.61	-1.68	-	-	-304.72
2018-19 :						
Deferred tax (liabilities)/assets in relation to :						
Unabsorbed Depreciation as per Income Tax	33.57	-5.16				28.41
Expenses provided but allowable in Income Tax on payment	-17.54	-1.40				18.94
Others	10.98	1.67				-9.31
	5.06	-4.89	-		-	0.16
Tax losses						
Mat Credit Entitlement	-265.31	-79.88				-345.20
	-265.31	-79.88	-	-	-	-345.20
	-260.26	-84.78	-	-	-	-345.03
2017 - 18 :						
Deferred tax (liabilities)/assets in relation to :						
Unabsorbed Depreciation as per Income Tax	[illegible]	-5.44				33.57
Expenses provided but allowable in Income Tax on payment	-15.63	1.90				[illegible]
Others	-15.26	4.50				[illegible]
	6.09	-1.04	-	-	-	5.06
Tax losses						
Mat Credit Entitlement	-146.13	-119.18				-265.31
	-146.13	-119.18	-	-	-	-265.31
	-140.04	-120.22	-	-	-	-260.16

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The Analysis of Deferred tax Assets and Deferred tax Liabilities is as follows:

	As at Mar 31, 2020	As at Mar 31, 2019
Deferred Tax Assets		
Deferred Tax Assets to be recovered after more than 12 months	[illegible]	[illegible]
Deferred Tax Assets to be recovered within 12 months		
	[illegible]	373.49
Deferred Tax Liabilities		
Deferred Tax Liabilities to be recovered after more than 12 months	26.02	28.41
Deferred Tax Liabilities to be recovered within 12 months		
	26.02	28.41

Evidence supporting Recognition of Deferred tax asset or Liability

Unrecognised deductible temporary differences, unused tax losses and unused tax credits:

	As at Mar 31, 2020	As at Mar 31, 2019
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following		
- tax losses (revenue in nature)		
- tax losses (capital in nature)		
- unused tax credits (give note below)		
- deductible temporary differences (describe)		
	-	-

Numerical reconciliation between tax expenses (income) and the product of accounting profit multiplied by the applicable tax rate(s) is (are) computed

	As at Mar 31, 2020	As at Mar 31, 2019
Accounting Profit	[illegible]	[illegible]
Tax at the domestic rate of 27.82 % in 2020, (27.82% in 2019)	[illegible]	[illegible]
Difference between WDV of Property, Plant and equipment including Intangibles as per books and Income taxes		
Expenses provided but allowable in Income Tax on payment [illegible]		
Other than temporary difference		[illegible]
Adjustment for Current tax of Prior Periods	[illegible]	[illegible]
Tax Expenses	[illegible]	[illegible]

* Tax has been calculated on Book Profit under Section 115JB of Income Tax Act 1961

2.08 Other assets

	Non Current As at Mar 31, 2020	Non Current As at Mar 31, 2019	Current As at Mar 31, 2020	Current As at Mar 31, 2019
Unsecured, Considered Doubtful				
Advances to related parties	-		9.58	61.76
Unsecured, Considered Good				
Balances with statutory/ government authorities	4.30	4.25	-	
GST Credit Receivable			[illegible]	1.11
Prepaid expenses			[illegible]	4.18
Capital Goods Advances			[illegible]	
Subsidy Receivable	84.72	172.71	[illegible]	[illegible]
Others		-	-	
	89.02	176.96	[illegible]	130.41

2.09 Inventories

	As at Mar 31, 2020	As at Mar 31, 2019
Raw materials	613.03	[illegible]
Goods-in-transit		
Work-in-progress	87.88	[illegible]
Goods-in-transit	-	-
Finished goods	164.52	[illegible]
Goods-in-transit	-	-
Total inventories at the lower of cost and net realisable value	**865.43**	**548.39**

2.10 Cash and Bank Balances

	As at Mar 31, 2020	As at Mar 31, 2019
Cash and cash equivalent		
Balances with banks		
On current accounts	1.49	0.53
Cash on hand	1.02	0.50
	2.51	**1.03**

2.11 Current tax assets and liabilities

	As at Mar 31, 2020	As at Mar 31, 2019
Current tax liabilities		
Provision for Taxation		
Income tax payable	4.76	[illegible]
Others		
	4.76	[illegible]

2.12 Share capital

	As at Mar 31, 2020	As at Mar 31, 2019
Authorised share capital :		
73,000 (March 31, 2019: 73,000) equity shares of Rs. 1000 each	73.00	73.00
3,87,500 (March 31, 2019: 3,87,500) preference shares of Rs. 1000 each	387.50	387.50
	460.50	460.50
Issued and subscribed capital comprises :		
72,446 (March 31, 2019: 72,446) equity shares of Rs. 1000 each	72.45	72.45
Total issued, subscribed and fully paid-up share capital	72.45	72.45

a. Reconciliation of shares outstanding at at the beginning and at the end of the reporting period:

Equity shares	As at Mar 31, 2020 No. of Shares	As at Mar 31, 2020 Amount	As at Mar 31, 2019 No. of Shares	As at Mar 31, 2019 Amount
At the beginning of the period	72,446	72.45	72,446	72.45
Issued During the Year	-	-	-	-
Outstanding at the end of the period	**72,446**	**72.45**	**72,446**	**72.45**

b. Rights, preference and restrictions attached to 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 1000 per share. Each holder of equity shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by the share holders.

c. Details of share holders holding more than 5% shares in the company

	As at Mar 31, 2020 No. of Shares	As at Mar 31, 2020 % of holding	As at Mar 31, 2019 No. of Shares	As at Mar 31, 2019 % of holding
Equity shares of Rs. 100 each fully paid				
Name of the Shareholder				
Prism Johnson Limited	72,446	100%	72,446	100%

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2.13 Other equity

	As at Mar 31, 2020	As at Mar 31, 2019
Reserves & surplus		
Retained earnings	2,877.91	2,453.55
Capital redemption reserve	225.00	225.00
Securities Premium Reserve	230.00	230.00
Capital Reserve	235.93	235.93
	[illegible]	3,144.48

	As at Mar 31, 2020	As at Mar 31, 2019
Retained earnings		
Balance at beginning of year	2,453.55	[illegible]
Profit for the year	[illegible]	[illegible]
(-) Redemption of Preference Share	-	[illegible]
Adjustments relating to transitional provisions contained in Schedule II	-	-
Items of other comprehensive income recognised directly in retained earnings	[illegible]	[illegible]
Balance as at the end of the year	2,877.91	2,453.55
Capital redemption reserve		
Balance as at the beginning of the year	225.00	[illegible]
Movement during the year	-	[illegible]
Balance as at the end of the year	225.00	225.00
Securities Premium Reserve		
Balance as at the beginning of the year	230.00	230.00
Additions during the Year	-	-
Less: Share issue expenses written off		
Balance as at the end of the year	230.00	230.00
Capital Reserve		
Balance as at the beginning of the year	235.93	235.93
Additions during the Year		
Utilisation during the year		
Balance as at the end of the year	235.93	235.93
Total other equity	[illegible]	3,144.48

2.14 Borrowings

	Non Current As at Mar 31, 2020	Non Current As at Mar 31, 2019	Current As at Mar 31, 2020	Current As at Mar 31, 2019
Secured				
Vehicle Loan				
from banks	4.03	5.01		
Loans repayable on demand				
from banks	-	-	-	
Bank overdrafts and cash credits	-	-	325.30	997.01
Buyer's Credit	-	-	-	-
Unsecured				
1% Non Cumulative Redeemable Preference Shares	85.42	80.21	-	-
	89.45	85.22	325.30	997.01
Less: Current maturities of long-term debt (included in Note 2.16)	1.19	1.09		
Total	88.26	84.13		

(b) Nature of Security and terms of repayment for secured borrowings (other than debentures):

Nature of Security	Terms of Repayments	As at Mar 31, 2020	As at Mar 31, 2019
Vehicle Loan from Bank has been secured against hypothecation of vehicle	Repayable in 60 equal installments from April 2018	4.03	5.01

(d) Details of long-term borrowings guaranteed by some of the directors or others:

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Term loans from banks		
Principal		
Interest		

The carrying amounts of financial and non financial assets pledged as security for current and non-current borrowings are disclosed below

(h) Assets pledged as security:

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Current		
Financial assets		
First charge		
Transferred receivables		
Floating charge		
Cash and cash equivalents	[illegible]	[illegible]
Receivables	[illegible]	[illegible]
Non - financial assets		
First charge		
Inventories	[illegible]	[illegible]
	[illegible]	[illegible]
Non - current		
First charge		
Building	[illegible]	[illegible]
Plant & equipments	[illegible]	[illegible]
Furniture, Fittings and equipment acquired under finance lease	[illegible]	[illegible]
	[illegible]	[illegible]
Total assets pledged as security	[illegible]	[illegible]

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2.15 Trade payables

	Non Current As at Mar 31, 2020	Non Current As at Mar 31, 2019	Current As at Mar 31, 2020	Current As at Mar 31, 2019
Total outstanding dues of Micro Enterprises & Small Enterprises	-	-	111.78	128.74
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises		-	258.18	333.90
	-	-	369.96	462.64

2.16 Other financial liabilities

	Non Current As at Mar 31, 2020	Non Current As at Mar 31, 2019	Current As at Mar 31, 2020	Current As at Mar 31, 2019
Current maturities of long-term debt	-	-	1.19	1.69
Preference Dividend Payable			2.35	2.66
Salary and Employee benefits payable			25.66	28.12
Financial Lease Obligations	3.49	3.36		
Liability for expenses	-		13.89	14.63
Trade Payables Capital Goods/Works	-		-	
	3.49	3.36	43.09	46.09
Details of Current Maturity of Long Term Debt				
Secured Loans				
Term Loan				
Vehicle Loan from Bank			1.19	1.69
			1.19	1.69
Unsecured Loans :				
Preference Shares				
			1.19	1.69

2.17 Provisions

	Non Current As at Mar 31, 2020	Non Current As at Mar 31, 2019	Current As at Mar 31, 2020	Current As at Mar 31, 2019
Employee benefits				
Provision for Gratuity	31.69	23.54	8.61	5.57
Provision for Leave Encashment	18.74	15.68	7.68	5.14
Provision for Bonus		-	20.34	18.13
	50.43	39.22	36.63	28.84
Others				
Provision for Excise Duty on Closing Stock	-		-	-
	-	-	-	-
	50.43	39.22	36.63	28.84

2.18 Other liabilities

	Non Current As at Mar 31, 2020	Non Current As at Mar 31, 2019	Current As at Mar 31, 2020	Current As at Mar 31, 2019
Deferred Income	27.09	33.46		-
Statutory liabilities			7.54	47.05
	27.09	33.46	7.54	47.05

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2.19 Revenue from operations	**Year ended March 31,**	
	2020	**2019**
Revenue from operations		
Sale of products	5,640.19	5,654.45
Revenue from operations	**5,640.19**	**5,654.45**

2.20 Other Income	**Year ended March 31,**	
	2020	**2019**
Interest Income on		
Interest income earned on financial assets that are not designated as fair value through profit or loss :		
Others	34.92	14.10
Other non - operating income		
Dividend Income	0.18	0.15
Subsidy	85.77	172.97
Other	7.26	6.39
	128.13	**193.61**

2.21 Cost of materials consumed	**Year ended March 31,**	
	2020	**2019**
Raw Material Consumption	3,476.18	3,454.86
Chemicals Consumption	104.53	95.00
Consumables Consumption	53.69	55.35
Packing Consumption	203.85	207.23
	3,838.26	**3,812.44**

2.22 (Increase) /decrease in inventories	**Year ended March 31,**	
	2020	**2019**
Inventories at the end of the year		
Work - in - progress	87.88	69.03
Finished goods	164.52	318.65
	252.40	**387.68**
Inventories at the beginning of the year		
Work - in - progress	69.03	77.02
Finished goods	318.65	437.72
	387.68	**514.74**
	135.28	**127.06**

2.23 Manufacturing expenses	**Year ended March 31,**	
	2020	**2019**
Power and fuel consumed	114.06	115.78
Repairs to plant and machinery	7.58	9.10
Other manufacturing expense	7.33	7.08
	128.96	**131.95**

2.24 Employee Benefits Expense	**Year ended March 31,**	
	2020	**2019**
Salaries, wages and bonus	764.80	675.23
Contribution to provident and other fund	34.19	28.15
Gratuity	6.98	6.61
Leave encashment	7.65	3.80
Staff welfare expenses	20.74	20.04
	834.37	**733.83**

2.25 Finance Costs	**Year ended March 31,**	
	2020	**2019**
Interest and Finance charges on financial liabilities not a FVTPL		
Interest on Overdraft / Cash Credit	93.10	117.07
Interest on Term Loan	0.42	0.50
Interest expense on redeemable preference shares	5.22	30.10
Other interest expenses	3.49	0.01
Amortization of Leasehold Land	0.40	0.39
Preference Share Dividend including Corporate Tax	2.35	4.44
Other borrowing costs		
Other Financial Charges	-	11.44
	104.98	**163.94**

2.26 Depreciation and amortization expense	**Year ended March 31,**	
	2020	**2019**
Depreciation of property, plant and equipment	64.28	87.39
	64.28	**87.39**

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2.27 Other Expenses

	Year ended March 31, 2020	2019
Rent and Maintenance	-	1.82
Repairs to Building	2.93	1.14
Repairs to Others	1.82	1.57
Insurance	2.84	3.74
Rates & taxes	1.86	2.04
Travelling & Communication Expenses	12.53	9.10
Legal and Professional Charges	8.62	6.24
Security Service Charges	6.00	7.94
Loss on exchange fluctuation	-	2.82
Loss on Sale of Assets	6.59	-
Other Expenses	24.17	21.48
Bank Charges	2.99	5.22
Freight outward	7.25	31.16
CSR Expenses	11.48	10.00
Discounts, incentives and commission on sales	-	0.17
	89.58	**104.46**

Payment to Auditors

	Year ended March 31, 2020	2019
As auditor:		
Statutory Audit fee	4.50	3.96
Tax Audit Fee	0.60	0.50
In other Capacity		
Taxation matters	1.00	1.10
Reimbursement of Expenses	0.41	0.29
	6.51	5.79

2.28 Tax expenses

	Year ended March 31, 2020	2019
(a) Income tax expenses :		
Current tax assets		
In respect of the current year	98.61	141.76
In respect of prior years	4.13	1.03
Others		
	102.74	**142.79**
Deferred tax		
In respect of the current year		
In respect of Temprorary Differences	-4.22	-4.89
In respect of Mat Credit Entitlement	46.26	-79.88
	42.04	**-84.78**
Total income tax expense recognised in the current year	144.78	58.01
(b) Income tax recognised in other comprehensive income		
Remeasurements of the defined benefit plans	-1.68	-0.05
	-1.68	-0.05
(c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate :		
Profit from continuing operations before income tax expense	572.60	686.99
Profit from discontinuing operations before income tax expense		
Tax at the Indian tax rate of 25% (2018-19 - 25%)'	98.61	141.77
Tax effect of amounts which are not deductible (taxable) in calculating taxable income :		
Goodwill impairment		
Amortisation of intangibles		
Weighted deduction on research and development expenditure		
Contingent consideration		
Other items		
Difference in overseas tax rates		
Adjustments for current tax of prior periods		
Income tax expense		
(d) Amounts recognised directly in equity :		
Aggr		
Current tax	-1.68	-0.05
Deferred tax		
(e) Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	-	-
Potential tax benefit @ 30%	-	-

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2.29 Earnings Per Share (EPS)

	Year ended March 31, 2020	2019
Basic earnings per share :		
From continuing operations attributable to equity holders of the company	590.54	868.20
From discontinued operations attributable to equity holders of the company		
Total basic earnings per share	590.54	868.20
Diluted earnings per share :		
From continuing operations attributable to equity holders of the company	590.54	868.20
From discontinued operations attributable to equity holders of the company		
Total diluted earnings per share attributable to equity holders of the company	590.54	868.20
Reconciliation of earnings used in calculating earnings per share :		
Basic earnings per share		
Profit attributable to equity holders of the company used in calculating basic earnings per share :		
From continuing operations	427.82	628.98
From discontinued operations		
	427.82	628.98
Diluted earnings per share		
Profit from continuing operations attributable to equity holders of the company :		
Used in calculating basic earnings per share	427.82	628.98
Used in calculating diluted earnings per share		
Profit from discontinued operations		
Profit used in calculating diluted earnings per share	427.82	628.98
Weighted average number of shares used as the denominator :		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	72,446	72,446
Adjustments for calculation of diluted earnings per share :		
Weighted average number of equity shares and potential equity shares used as the denominator in calculating basic earnings per share	72,446	72,446

2.30 Capital management

Risk management

The Company's objectives when managing capital are to

(i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other

(ii) Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents)

divided by

Total 'equity' (as shown in the balance sheet, including non-controlling interests)

The Company's strategy is to maintain a gearing ration within 1:1.. The gearing ratios were as follows :

	As at March 31, 2020	2019
Net debt	414.75	1,082.23
Total equity	3,640.38	3,216.93
Net debt to equity ratio	0.11	0.34

2.31 Contingent liabilities and contingent assets

	As at March 31, 2020	2019
Contingent liabilities		
Central Excise Duty	56.67	56.67
	56.67	56.67
Contingent assets		

Contingent Liability represents amount of excess refund of duty claimed for Samba Unit for the period from April 2013 to Mar-2017

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2.32 Employee Benefit Plans

1. Defined contribution plans

The total expensse recognised in profit and loss of Rs 34.19 Lacs (for the year ended March 31, 2019 : Rs 28.15 Lacs) represents contributions payable to Provident fund and ESIC by the Company at rates specified in rules of the plans.

2. Defined Benefits Plans

The company operates a gratuity plan covering qualifying employees. The benefit payable is the amount calculated as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the company. In case of death while in service, the gratuity is payable irrespective of vesting. The liability in respect of plan is determined on the basis of an actuarial valuation

3. Principal assumptions used for the purpose of actuarial valuation

	Valuation as at	
	31-03-2020	**31-03-2019**
Discount Rate	6.58%	7.64%
Expected Rate(s) of salary increase	5%	5%
Average longetivity at retirement age for current beneficiaries of plans (years)		
Males	58	58
Females	58	58
Average longetivity at retirement age for current employees (future beneficiaries of the plan)		
Males	58	58
Females	58	58
others(describe)	-	-
Attrition Rate	10%	10%

4. Amounts recognised in consolidated statement of Profit and Loss in respect of defined benefit plans

	Year Ended	
	31-03-2020	**31-03-2019**
Service cost:		
Current service cost	4.76	4.67
Past service cost and (gain) loss from settlements		
Net interest expense	2.22	1.94
Component of defined benefit costs recognised in profit & loss	**6.98**	**6.61**
Remeasurement of net defined benefit liability		-
Return on plan assets(excluding amount included in net interest expense)		-
Acturial (gains) losses arising from changes in demographic assumptions	-	-
Acturial (gains) losses arising from changes in financial assumption	2.28	0.25
Acturial (gains) losses arising from experience adjustments	3.77	-0.49
Others(decribe)		-
Adjustments for restrictions on defined benefit assets		-
Componenets of defined benefits cost recognised in OCI	**6.05**	**-0.24**
Total	**13.03**	**6.38**

5. Movements in present value of defined benefit obligation and planned assets

	Year Ended	
	31-03-2020	**31-03-2019**
Opening defined benefit obligations	29.11	24.86
Current service cost	4.76	4.67
Interest cost	2.22	1.94
Remeasurement (Gains) loss		
Acturial (gains) losses arising from changes in demographic assumptions	-	-
Acturial (gains) losses arising from changes in financial assumption	2.28	0.25
Acturial (gains) losses arising from experience adjustments	3.77	-0.49
Others(decribe)		-
Past service cost, including losses (gains) on curtailments		-
Liabilities extinguished on settlements		-
Liabilities assumed in business combinations		-
Exchange difference on foreign plans		-
Benefits paid	-1.89	-2.13
Others(describe)		-
Closing Defined Benefit Obligation	**40.25**	**29.11**

7. An entity shall disclose:

(a) a sensitivity analysis for each significant actuarial assumption (as disclosed under paragraph 144) as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumption that were reasonably possible at that date.

	Year Ended	
	31-03-2020	**31-03-2019**
Projected Benefit Obligation on Current Assumptions	40.25	29.41
Delta Effect of +1% Change in Rate of Discounting	-2.15	-1.49
Delta Effect of -1% Change in Rate of Discounting	2.44	1.68
Delta Effect of +1% Change in Rate of Salary Increase	2.45	1.71
Delta Effect of -1% Change in Rate of Salary Increase	-2.20	-1.53
Delta Effect of +1% Change in Rate of Employee Turnover	0.17	0.23
Delta Effect of -1% Change in Rate of Employee Turnover	-0.20	-0.27

(b) the methods and assumptions used in preparing the sensitivity analyses required by (a) and the limitations of those methods.

Additional Details	
Methodology Adopted for ALM-	**Projected Unit Credit Method**
Usefulness and Methodology adopted for Sensitivity analysis-	Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.
Stress Testing of Assets -	N.A. - as benefit is unfunded
Investment Strategy	N.A. - as benefit is unfunded
Comment on Quality of Assets -	N.A. - as benefit is unfunded
Management Perspective of Future Contributions -	N.A. - as benefit is unfunded

(c) changes from the previous period in the methods and assumptions used in preparing the sensitivity analyses, and the reasons for such

2.33 **Related Party Transaction**

	As at Mar 31, 2020	As at Mar 31, 2019
(a) Holding Company		
Prism Johnson Limited	100%	100%

The following transactions occurred with related parties:

	31-Mar-19	31-Mar-18
Sales and purchases of goods and services		-
Sale of goods		-
Prism Johnson Limited (H & R Johnson (India) Division)	6,647.57	6,671.57
Rent Received		
Prism Johnson Limited (H & R Johnson (India) Division)	0.02	0.02
Interest Paid		
Prism Johnson Limited (H & R Johnson (India) Division)	2.00	5.55
Interest Income		
Prism Johnson Limited (H & R Johnson (India) Division)	39.76	21.49
Preference Dividend Paid		
Prism Johnson Limited (H & R Johnson (India) Division)	2.46	5.06
Purchases of various goods and services from entities Controlled by key management personnel:		
Prism Johnson Limited (H & R Johnson (India) Division)	-	-
Reimbusment of Expenses Paid		
Prism Johnson Limited (H & R Johnson (India) Division)	45.39	46.22
Reimbusment of Expenses Received		
Prism Johnson Limited (H & R Johnson (India) Division)	-	-

	As at March, 31	
	2020	**2019**
Trade recivables (sale of goods and services)		
Prism Johnson Limited (H & R Johnson (India) Division)	2,623.23	2,800.87
	2,623.23	**2,800.87**

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Milano Bathroom Fittings Pvt Ltd

Notes to Financial Statements for the year ended March 31, 2020

All amounts are in Rs. '00,000 unless otherwise stated

2.34 Consequent to the introduction of Goods and Service Tax (GST) with effect from July 01,2017, Central excise, Value added tax (VAT), etc. have been replaced by GST. In accordance with IND AS 18 on Revenue and Schedule III of the Companies Act, 2013, GST, GST Compensation Cess etc are not included in the Income from Operations for applicable periods.

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
(a) Income from Operations	5,640.19	5,654.45
(b) Excise duty	-	-
(C) Income from Operations	**5,640.19**	**5,654.45**

2.35 Incentive/Subsidy from Government of Jammu and Kashmir and Government of India

As per Jammu and Kashmir Budgetry support scheme under Goods and Service Tax, the company is entitled for 58 % of CGST and 29% IGST paid through debit in cash ledger account maintained by the Entity. The Company has recognised the GST Rebate and credited to "Other Non Opearting Income" under Note 2.20 for Rs 45.34 Lacs

As per Jammu and Kashmir Budgetry support scheme under Goods and Service Tax, the company is entitled for claim 2% of the taxable turnover with respect to interstate supplies made by the Industrial unit under Integrated Goods and Services Tax Act,2017 provided that the maximum amount of annual reimbursment shall be limited to 2% of the interstate sales turnover reflected by the dealer in his returns for the accounting year 2016-17. The Company has recognised the Interstate Sale Rebate and credited to "Other Non Opearting Income" under Note 2.20 for Rs 42.78 Lacs.

2.36 Segment Information

The Company has only one operating segment viz. manufature of Sanitary Fittings.The disclosure requirement IND AS 108 as applicable to a single reportable segment are as follows.

1. The Company has a single Customer viz. Prism Johnson limited and 100% of its sales are done to said Customer
2. Information about products and services
   The Company engaged in the manufacturing of Sanitary fittings
3. The operations of the Company are conducted in a single geographical area i.e. India

2.37 Financial Instruments and Risk Review

Financial risk management objectives

The Company's Finance function supported by its parent's treasury operations monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market Risks

<u>**Credit risk management:**</u>

<u>**Collateral held as security and other credit enhancements**</u>

The average credit period on sales of goods is [illegible] days. Interest Rate is charged for delay in receipt of payments on trade receivables.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The Company does not have a history of credit losses and therefore no provisions have been made under the provision matrix.

Table showing age of gross trade receivables and movement in expected credit loss allowance

Age of receivables	31-Mar-20	31-Mar-19
Within the credit period	2,623.23	2,869.87
1-90 days past due	-	-
91-180 days past due	-	-
181-270 days past due	-	-
More than 270 days past due	-	-
Total	**2,623.23**	**2,869.87**

Movement in the expected credit loss	31-Mar-20	31-Mar-19
Balance at beginning of the year	-	-
Net movement in expected credit loss	-	-
Total	-	-

Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company believes that the working capital based on projections and support from its Parent Company will be sufficient to meet its current requirements. The contractual maturities of all liabilities except for employee benefits scheme and bank loans are within 1 year. The impact of unfunded Employee benefit schemes on liquidity is expected to be managed from cash generated from operations. Accordingly, no liquidity risk is perceived.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities

As on March 31, 2020	< 1 Year	1 - 5 year	> 5 year	Total
Non-current borrowings	[illegible]	[illegible]		[illegible]
Current borrowings	325.30			325.30

As on March 31, 2019	< 1 Year	1 - 5 year	> 5 year	Total
Non-current borrowings	[illegible]	[illegible]		88.22
Current borrowings	997			997.03

The Company has a Principal Repayment of Rs [illegible] Crores of Term Loans during the next year. The Company shall meet the said obligation through a combination of Internal Accruals and support from Parent Company.

Market Risks

The Company's exposure risks primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company has not entered into derivative financial instruments to manage its exposure to foreign currency risk including forward foreign exchange contracts.

Interest rate risk

Exposure to interest rate risk

Interest rate risk management

Particulars		31-Mar-20	31-Mar-19
Variable rate borrowings		325.30	997.03
Fixed rate borrowings		[illegible]	88.22

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Interest rate risk

sensitivity

The sensitivity analyses below have been determined based on the exposure to interest rates. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Particular	For year ended March 31, 2020	
	100 basis points increase	100 basis points decrease
Impact on profit	3.29	3.29

* Assuming all other variables as constant

2.38 Note on COVID-19

The World Health Organisation announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been further extended till May 2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management has made assessment of the impact of COVID-19 on the company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.

As per our report of even date
For Borkar & Muzumdar
Chartered Accountants
Firm Reg No. 101569W

Deepak Kumar Jain
Partner
M. No 154390
Place : Mumbai
Date : 22nd May' 2020

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For and on behalf of the Board

Pankaj Sharma
Director
DIN 07457710
Place: Mumbai
Date : 22nd May' 2020

Manish Bhatia
Director
DIN 00748640

Milano Bathroom Fittings Private Limited

Notes to the Financial Statements for the year ended March 31, 2020

Background

Milano Bathroom Fittings Private Limited ("The Company"), Company incorporated under the Companies Act, 1956, is a wholly owned subsidiary of Prism Johnson Limited ("Holding Company)). The Company is engaged in the business of manufacturing of Taps and Fittings. The Company is having two manufacturing units of which one is located in Baddi (Himachal Pradesh) and the other in Samba (Jammu & Kashmir). The Company has entered a supply contract with Holding Company for supplying entire production to them.

Milano Bathroom Fittings Private Limited is incorporated and domiciled in India having its registered office at Plot No.30, Industrial Township, Phase – IV, HIMUDA, Bhatoli Kalan, Baddi – 173205, Himachal Pradesh.

Authorization of financial statements

The Financial Statements were authorized for issue in accordance with a resolution of the directors on May 22, 2020.

Summary of significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the presentation of the standalone financial statements.

1. **Basis of Preparation**

Compliance with Ind AS

The financial statements comply in all material aspects with 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 up to year ended March 31, 2018 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

Effective April 1, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(i) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

a) certain financial assets and liabilities (including derivative instruments) are measured at fair value; and
b) defined benefit plans -plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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2. **Rounding of amounts**

All amounts disclosed in the financial statement and notes have been rounded off to the nearest Rupees in lakhs, except where otherwise indicated.

3. Current versus non-current classification

The Company presents its assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

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

4. Use of judgments, estimates & assumptions

While preparing financial statements in conformity with Ind AS, the Company makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on the estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and Judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

a) Assessment of functional currency;
b) Fair value of Financial Assets and Financial liabilities;
c) The useful lives of, or expected pattern of consumption of the future economic benefits embodied in, depreciable assets;
d) Valuation of inventories and Inventory obsolescence;
e) Warranty obligations
f) Measurement of recoverable amounts of cash-generating units;
g) Assets and obligations relating to employee benefits;

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h) Provisions and Bad Debts;
i) Evaluation of recoverability of deferred tax assets; and
j) Contingencies.

5. **Revenue Recognition**

(i) Sale of goods

Revenue from Sale of Goods is recognised when the Company satisfies the performance obligation by transferring a promised goods (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset i.e. usually on delivery of the goods

At contract inception, the Company assess the goods promised in a contract with a customer and shall identifies as a performance obligation each promise to transfer to the customer. On satisfaction of the performance obligation, the Company recognises as revenue the amount of the transaction price that is allocated to that performance obligation. The transaction price is the amount of consideration to which a Company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties.

The Company allocates the transaction price to each performance obligation (or distinct good) in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods to the customer. When there is uncertainty as to measurement or ultimate collectability, Revenue recognition is postponed until such uncertainty is resolved.

Incremental costs i.e. incremental costs of obtaining a contract with a customer that it would not have incurred if the contract had not been obtained is recognised as an asset if the Company expects to recover those costs.

The Company presents revenues net of indirect taxes in its statement of Profit and loss Except for payments of Excise duty which is included in revenue.

6. **Property, Plant and equipment**

a) Property, plant and equipment are stated at historical cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

b) When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Cost of major inspection is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of Profit or Loss as incurred.

c) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net realisable value and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

d) The residual values and useful lives of property, plant and equipment are reviewed at each

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financial year end and changes, if any, are accounted prospectively.

e) Free hold Land is not depreciated. Lease arrangements for land are identified as finance lease in case such arrangements result in transfer of the related risks and rewards to the Company.

f) Cost of mines development expenses are amortised systematically based on Life of Assets Related to Mines.

g) Stores and Spares which meet the definition of property plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.

h) Depreciation on Property, Plant & Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Company has assessed the estimated useful lives of its property, plant and equipment and has adopted the useful lives and residual value as prescribed in Schedule II. The estimated useful life of assets are as follows:

Assets	Useful life of asset
Building	3 year to 60 years
Plant and Machinery	3 year to 25 years
Electrical Installations	2 years to 25 years
General Lab Equipment	5 years
Office Equipment	1 year to 10 Years
Computer Equipment	3 Years
Furniture and fixtures	5 to 10 years
Vehicles	1 year to 8 years
Machinery spares	Over the useful life of the related assets

Depreciation on stores and spares specific to an item of property, plant and equipment is based on life of the related property, plant and equipment.

i) In line with the provisions of Schedule II of the Companies Act 2013, the Company depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components has been assessed based on the historical experience and internal technical inputs which varies from 2 to 40 years.

j) All assets costing up to Rs. 5,000/-, are fully depreciated in the year of capitalization.

7. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit or Loss in the period in which the expenditure is incurred.

Cost of Software directly identified with hardware is capitalised along with the cost of hardware. Application software is capitalised as Intangible Asset.

Intangible assets with finite lives are amortised on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each year end. The amortisation expense on intangible assets with finite lives and impairment loss is recognised in the Statement of Profit and Loss.

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Estimated lives for current and comparative periods in relation to application of straight line method of amortisation of intangible assets (acquired) are as follows:

Assets	Useful life of asset
Software	5 years

Research and Development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate the following:

a) The technical feasibility of completing the intangible asset so that it will be available for use or sale;
b) Its intention to complete the asset;
c) Its ability to use or sell the asset;
d) the asset will generate future economic benefits;
e) The availability of adequate resources to complete the development and use or sell the asset;
f) The ability to measure reliably the expenditure attributable to the intangible asset during development.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit or loss when the asset is derecognised.

8. **Impairment of Assets**

Carrying amount of Tangible and Intangible Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's assets (cash-generating units). Non- financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

9. **Inventories**

Raw materials, fuels, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes

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direct materials, labour, other direct cost and a proportion of manufacturing overheads based on normal operating capacity.Cost of finished goods includes excise duty and is determined on a weighted average basis. Excise duty is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories and depots as on the Balance Sheet date.

Traded Goods are valued on weighted average cost.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

10. Trade Receivable

Trade receivables are recognized initially at fair value and subsequently measured at a mortised cost using the effective interest method, less provision for impairment.

Trade receivables expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

11. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

12. Share Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

13. Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

14. Financial Instruments

Financial Assets

Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following measurement categories:

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- those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit or loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are either recorded in statement of profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) 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. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 '*Construction Contracts*' ("Ind AS 11") and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity instruments

The company subsequently measures all equity investments at fair value. Dividends from such investments are recognised in statement of profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss.

(iii) Derecognition

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

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

(iv) Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(v) Income recognition
Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend income

Dividends are recognised in statement of profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

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Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, financial guarantee contracts or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

(ii) Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using effective interest method or at FVTPL. The subsequent measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished and the consideration paid is recognised in statement of profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Trade payables

These amounts represent liabilities for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method

Financial guarantee contracts

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

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(iii) Derecognition

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

(iv) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other Income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

15. Investments in subsidiaries, associates and joint ventures

A subsidiary is an entity that is controlled by another entity. An investor controls an investee if and only if the investor has the following; (i) Power over the investee, (ii) exposure, or rights, to variable returns from its involvement with the investee and (iii) the ability to use its power over the investee to affect the amount of the investor's returns.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company's investments in its subsidiaries, associates and joint ventures are accounted at cost.

16. 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 asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

The Company ceases capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

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17. Provisions, Contingent liabilities, Contingent Assets

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the company recognizes any impairment loss on the assets associated with that contract.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the company.

Contingent liabilities are disclosed in the case of:

- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from the past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent Assets is disclosed when inflow of economic benefits is probable.

Contingent Liabilities in respect of show-cause notices are considered only when converted into demands.

18. Gratuity and other post-employment benefits

a) Short-term obligations
Short term employee benefits are recognised as an expense at an undiscounted amount in the Statement of profit & loss of the year in which the related services are rendered.

b) Post-employment obligations
The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund.

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Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in statement of profit or loss as past service cost.

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

c) **Other long-term employee benefit obligations**
The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

d) **Bonus Plans**
The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

19. Taxes on Income

Current Tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax is recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively. Where current tax arises

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Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets 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 deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

20. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

21. Segment reporting

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The operating segments have been identified on the basis of nature of products/service.

a) Segment revenue includes sales and other income directly attributable with allocable to

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segments including inter-segment revenue.

b) Expenses that are directly identifiable with / allocable to segments are considered for determining the segment results. Expenses which relate to the Company as a whole and not allocable to segments are included under unallowable expenditure.
c) Income which relates to the Company as a whole and not allocable to segments is included in unallowable income.
d) Segment results includes margins on inter-segment and sales which are reduced in arriving at the profit before tax of the company.
e) Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liability represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

22. Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April 2019. The Company also elected to use the recognition exemptions for lease contracts.

The Company assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g.,

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changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor
Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

23. Foreign currency translation

(i) Functional and presentation currency

The Company's financial statements are prepared in INR, which is also the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains / (losses). Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction.

The Company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration to determine the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency

24. Fair Value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an

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Milano Bathroom Fittings Private Limited

Balance Sheet as at June 30, 2020

All amounts are in Lakhs unless otherwise stated

	Notes	As at June 30, 2020	As at June 30, 2019	As at March 31, 2020	As at March 31, 2019
ASSETS					
Non-current assets					
Property, plant and equipment	2.01	583.47	638.28	598.77	644.23
Capital work-in-progress	2.02	1.42	1.62	1.44	1.50
Financial assets					
Investments	2.03	1.00	1.00	1.00	1.00
Loans	2.05	20.25	19.27	20.25	19.27
Other financial assets	2.06	-	-	-	-
Deferred tax assets (Net)	2.07	307.10	345.82	304.72	345.08
Other non-current assets	2.08	7.43	34.83	89.02	176.96
Total non-current assets		920.68	1,040.82	1,015.21	1,188.04
Current Assets					
Inventories	2.09	909.60	896.26	865.43	848.39
Financial Assets					
Investments					
Trade Receivables	2.04	1,823.15	2,640.81	2,623.23	2,800.87
Cash and cash equivalents	2.10	0.81	1.29	2.51	1.63
Other financial assets	2.06	0.36	0.40	0.36	0.40
Current tax assets (Net)	2.11	4.78	-	4.78	
Other current assets	2.08	184.11	251.94	80.65	130.41
Total current assets		2,922.81	3,790.70	3,576.96	3,781.10
Total assets		3,843.49	4,831.52	4,592.17	4,969.14
EQUITY AND LIABILITIES					
Equity					
Equity Share capital	2.12	72.45	72.45	72.45	72.45
Other Equity	2.13	3,474.47	3,239.96	3,567.93	3,144.48
Total equity		3,546.92	3,312.41	3,640.38	3,216.93
Liabilities					
Non-current liabilities					
Financial Liabilities					
Borrowings	2.14	89.17	85.18	88.26	84.13
Other financial liabilities	2.16	3.53	3.39	3.49	3.36
Provisions	2.17	52.36	49.01	50.43	39.22
Deferred tax liabilities (Net)					
Other non-current liabilities	2.18	25.50	31.87	27.09	33.46
Total non-current liabilities		170.55	169.45	169.28	160.17
Current liabilities					
Financial Liabilities					
Borrowings	2.14	15.76	963.04	325.30	997.01
Trade payables					
Total outstanding dues of Micro Enterprises & Small Enterprises	2.15	-	73.19	111.18	128.74
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	2.15	21.24	203.38	258.77	333.89
Other financial liabilities	2.16	42.93	51.69	43.09	46.69
Other current liabilities	2.18	4.45	9.53	7.34	47.05
Provisions	2.17	41.63	34.91	36.63	28.84
Current Tax Liabilities (Net)		-	13.92	-	9.81
Liabilities directly associated with assets classified as held for sale					
Total current liabilities		126.02	1,349.66	782.51	1,592.05
Total equity and liabilities		3,843.49	4,831.52	4,592.17	4,969.14

The notes form an Integral part of the financial statements

For and on behalf of the Board

PORKAR & MUZUMDAR, CHARTERED ACCOUNTANTS, MUMBAI, FRN 104769W

Milano Bathroom Fittings Pvt. Ltd.

Pankaj Sharma
Director
DIN 07457710

Manish Bhatia
Director
DIN 00748640

Place : Mumbai
Date : 4th August'20

Place : Mumbai
Date : 4th August'20

Milano Bathroom Fittings Private Limited

Statement of Profit or Loss and Other Comprehensive Income for the Quarter ended June 30, 2020

All amounts are in Lakhs unless otherwise stated

	Notes	Quarter ended June 30, 2020	Quarter ended June 30, 2019	Year Ended March 31, 2020	Year Ended March 31, 2019
Revenue from operations	2.19	214.41	1,330.91	5,640.19	5,654.45
Other income	2.20	3.25	34.02	128.13	193.61
Total Income		217.65	1,364.92	5,768.32	5,848.06
Expenses					
Cost of materials consumed	2.21	237.49	878.04	3,838.26	3,812.44
Purchase of stock-in-trade	2.22	-	-	-	
Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.23	-97.82	62.80	135.28	127.06
Excise duty on sale of goods					
Manufacturing expenses	2.24	14.04	28.20	128.96	131.95
Employee benefits expense	2.25	118.96	193.66	834.37	733.83
Finance costs	2.26	12.16	30.10	104.98	163.95
Depreciation and amortization expense	2.27	15.64	15.65	64.78	87.39
Other expenses	2.28	11.54	25.82	89.58	104.46
Total Expenses		312.02	1,234.27	5,195.71	5,161.08
Profit / (loss) before exceptional items and tax		-94.37	130.65	572.60	686.99
Exceptional items					
Profit / (loss) before tax		-94.37	130.65	572.60	686.99
Tax expenses	2.29				
Current tax		-0.04	33.84	102.74	142.70
Deferred tax		-1.96	-0.78	42.04	-84.78
Income-tax liability/(write back) of earlier years					
		-2.00	33.06	144.78	58.01
Profit / (loss) for the period from continuing operations		-92.37	97.60	427.82	628.98
Profit / (loss) for the period from discontinued operations before tax					
Tax expense of discontinued operations					
Profit / (loss) for the period from discontinued operations (after tax)				-	
Profit/ (loss) for the period		-92.37	97.60	427.82	628.98
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurements of the defined benefit plans		1.51	3.23	6.05	-0.24
Equity instruments through other comprehensive income					
		1.51	3.23	6.05	-0.24
Income tax relating to items that will not be reclassified to profit or loss		-0.42	-1.11	-1.68	-0.05
Total other comprehensive income		1.09	2.11	4.37	-0.19
Total comprehensive income for the period		-93.46	95.48	432.19	628.79
Earnings per equity share (for continuing operations) :					
Basic (in ₹)		-127.50	134.72	590.54	868.20
Diluted (in ₹)		-127.50	134.72	590.54	868.20
Earnings per equity share (for discontinued operations)					
Basic (in ₹)					
Diluted (in ₹)					
Earnings per equity share (for discontinued and continuing operations) :					
Basic (in ₹)		-127.50	134.72	590.54	868.20
Diluted (in ₹)		-127.50	134.72	590.54	868.20

The notes form an integral part of the financial statements

As per our report of even date

For and on behalf of the Board

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

Place : Mumbai
Date : 4th August'20

Pankaj Sharma
Director
DIN 07457710
Place: Mumbai
Date : 4th August'20

Manish Bhatia
Director
DIN 00748640

Milano Bathroom Fittings Private Limited
Notes to Financial Statements for the Quarter ended June 30, 2020
All amounts are in Lakhs unless otherwise stated

2.01 Property, plant and equipment :

	Gross Block				Depreciation				Net Block	
	As at April 1, 2020	Addition	Disposal	As at June 30, 2020	As at April 01, 2020	For the Period	Elimination on disposal	As at June 30, 2020	As at June 30, 2020	As at March 31, 2020
Own Assets:										
Land - Freehold										
Buildings	403.67	-	-	403.67	71.05	3.54	-	74.59	329.08	352.62
Plant and Machinery	301.89	-	-	301.89	122.95	7.17	-	130.12	171.77	178.94
Electric Installations	48.77	-	-	48.77	32.24	1.52	-	33.77	15.01	16.53
Furniture & Fixtures	8.32	-	-	8.32	3.59	0.18	-	3.77	4.55	4.73
Computers	2.34	-	-	2.34	1.58	0.06	-	1.64	0.70	0.76
Vehicles	10.94	-	-	10.94	4.77	0.30	-	5.07	5.87	6.17
Tools & Dies	41.81	0.35	-	42.15	29.33	2.44	-	31.77	10.39	12.48
Office Equipment	10.46	-	-	10.46	6.61	0.30	-	6.91	3.55	3.85
Total ....A	**828.20**	**0.35**	-	**828.55**	**272.12**	**15.51**	-	**287.63**	**540.92**	**556.08**
Assets taken on Finance Lease:										
Land	45.27	-	-	45.27	2.58	0.13		2.71	42.56	42.69
Plant and Machinery		-	-	-	-	-	-	-	-	-
Total ...B	**45.27**	-	-	**45.27**	**2.58**	**0.13**	-	**2.71**	**42.56**	**42.69**
Total .... A+B	**873.47**	**0.35**	-	**873.82**	**274.70**	**15.64**	-	**290.34**	**583.47**	**598.77**

Note on Impairment losses will be stated

Assets pledged as security :
Freehold/Leasehold land and buildings with a carrying amount of Rs.43.21 Lacs (as at March 31, 2018: Rs.43.72 Lacs;) have been pledged to secure borrowings. The freehold land and buildings have been pledged as security for bank loans under a mortgage. Plant and equipment with a carrying amount of Rs.601.02 Lacs (as at March 31, 2018: Rs. 675.91) have been pledged to secure loans from a finance company under a mortgage.

2.02 Capital Work in Progress:

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									Net Block	
									As at June 30, 2020	As at March 31, 2020
									1.42	1.44
Total	-	-	-	-	-	-	-	-	1.42	1.44

Milano Bathroom Fittings Private Limited
Notes to Financial Statements for the Quarter ended June 30, 2020
All amounts are in ₹ lakhs unless otherwise stated

2.03 Non-current Investments

	As at June 30, 2020 Qty	Amount	As at June 30, 2019 Qty	Amount	As at June 30, 2019 Qty	Amount	As at Mar 31, 2019 Qty	Amount
Investments in Equity Instruments (fully paid-up)								
[illegible]	10,000	1.00	10,000	1.00	10,000	1.00	10,000	1.00
(A)	10,000	1.00	10,000	1.00	10,000	1.00	10,000	1.00
Total non-current investments (A)	10,000	1.00	10,000	1.00	10,000	1.00	10,000	1.00
Aggregate amount of unquoted investments						1.00		1.00

2.04 Trade Receivables

	Non Current As at June 30, 2020	2019	As at Mar 31, 2020	2019	Current As at June 30, 2020	2019	As at Mar 31, 2020	2019
Unsecured, considered good			-	-	1,823.15	2,440.81	2,623.23	2,800.57
Doubtful								
	-	-	-	-	1,823.15	2,440.81	2,623.23	2,800.57
Allowance for doubtful debts (expected credit loss)								
Total	-	-	-	-	1,823.15	2,440.81	2,623.23	2,800.57

2.05 Loans

	Non Current As at June 30, 2020	2019	As at Mar 31, 2020	2019	Current As at June 30, 2020	2019	As at Mar 31, 2020	2019
Security Deposits								
Unsecured, considered good	20.25	19.27	20.25	19.27	-	-		
	20.25	19.27	20.25	19.27	-	-		
Less: Impairment of deposits	-	-	-	-	-	-		
(A)	20.25	19.27	20.25	19.27	-	-	-	-
Total (A)	20.25	19.27	20.25	19.27	-	-	-	-

2.06 Other financial assets

	Non Current As at June 30, 2020	2019	As at Mar 31, 2020	2019	Current As at June 30, 2020	2019	As at Mar 31, 2020	2019
Other Accrued Interest			-	-	0.36	0.49	0.36	0.40
Total			-	-	0.36	0.49	0.36	0.40

2.07 Deferred tax assets/(liabilities) (net)

	As at June 30, 2020	2019	As at Mar 31, 2020	2019
Deductible temporary differences				
Unabsorbed Depreciation as per Income Tax	25.54	21.51	26.02	26.41
Other financial liabilities				
Others				
	25.54	27.51	26.02	26.41
Taxable temporary differences				
Unabsorbed Depreciation as per Income Tax				
Expenses provided but allowable in Income Tax on payment	[illegible]	25.41	24.72	[illegible]
Others	7.50	[illegible]	7.59	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]
Unused Tax Credits				
Mat Credit Entitlement	298.93	[illegible]	298.93	[illegible]
Net deferred tax assets (liabilities)	-307.10	345.92	-304.72	315.66

Movement in deferred tax Account during the year is as follows:

2020-21	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive Income	Recognised directly in equity	Acquisitions/ Disposals	Closing Balance
Deferred tax (liabilities)/assets in relation to:						
Unabsorbed Depreciation as per Income Tax	26.02	-0.43	-	-	-	25.54
Expenses provided but allowable in Income Tax on payment	-24.72	-1.93	-	-	-	-26.65
Others	-7.59	0.44	-0.42			-1.56
	-5.79	-1.96	-0.42	-	-	-8.17
Tax losses						
Mat Credit Entitlement	-298.93	-	-	-	-	-298.93
	-298.93	-	-	-	-	-298.93
	-304.72	-1.96	-0.42	-	-	-307.10

2.08 Other assets

	Non Current As at June 30, 2020	2019	As at Mar 31, 2020	2019	Current As at June 30, 2020	2019	As at Mar 31, 2020	2019
Unsecured, Considered Good								
Advances to other parties			-	-	22.23	13.53	9.78	64.76
Balances with statutory/ government authorities	5.78	4.25	4.30	4.25			-	-
GST credit Receivable					36.78	1.50	34.46	4.12
Prepaid expenses	-		-	-	5.61	4.71	5.00	4.18
Capital Goods Advances					4.74		2.81	
Subsidy Receivable	1.65	30.58	84.72	172.71	112.72	227.25	24.60	59.37
Others			-	-		7.85	-	
	7.43	34.83	89.02	176.96	184.11	251.91	80.65	134.11

2.09 Inventories

	As at June 30, 2020	2019	As at Mar 31, 2020	2019
Raw materials	552.39	271.39	613.61	[illegible]
Goods-in-transit				
Work-in-progress	76.34	144.07	82.88	[illegible]
Goods-in-transit				
Finished goods	273.87	180.65	254.52	348.63
Goods-in-transit				
Total Inventories at the lower of cost and net realisable value	902.60	594.26	955.11	[illegible]

2.10 Cash and Bank Balances

	As at June 30, 2020	2019	As at Mar 31, 2020	2019
Cash and cash equivalents				
Balances with banks				
On current accounts	0.34	4.82	1.49	6.93
Cash on hand	[illegible]	6.41	4.02	[illegible]
	[illegible]	3.29	5.51	[illegible]

Milano Bathroom Fittings Pvt. Ltd.

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

[illegible] Private Limited

Notes to Financial Statements for the Quarter ended June 30, 2020

All amounts are in ₹ lakhs unless otherwise stated

2.11 Current tax assets and liabilities

	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Current tax liabilities				
Provision for taxation				
[illegible] payable	[illegible]	13.92	[illegible]	[illegible]
Others				
	[illegible]	13.92	[illegible]	[illegible]

2.12 Share capital

	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Authorised share capital :				
75,000 (March 31, 2019: 75,000) equity shares of Rs. 100/- each	75.00	75	75.00	75.00
3,87,500 (March 31, 2019: 3,87,500) preference shares of Rs. 100/- each	387.50	387.5	387.50	387.50
	462.50	462.50	462.50	462.50
Issued and subscribed capital comprises :				
72,446 (March 31, 2019: 72,446) equity shares of Rs. 100/- each	72.45	72.45	72.45	72.45
Total issued, subscribed and fully paid up share capital	72.45	72.45	72.45	72.45

a. Reconciliation of shares outstanding as at the beginning and at the end of the reporting period.

Equity shares	As at June 30, 2020 No. of Shares	Amount	As at June 30, 2019 No. of Shares	Amount	As at Mar 31, 2020 No. of Shares	Amount	As at Mar 31, 2019 No. of Shares	Amount
At the beginning of the period	72,446	72.45	72,446	72.45	72,446	72.45	72,446	72.45
Issued during the year								
Outstanding at the end of the period	72,446	72.45	72,446	72.45	72,446	72.45	72,446	72.45

b. Rights, preferences and restrictions attached to shares including restrictions on the distribution of dividends and the repayment of capital:

Equity Shares

[illegible]

c. Details of share holders holding more than 5% shares in the company

	As at June 30, 2020 No. of Shares	% of holding	As at June 30, 2019 No. of Shares	% of holding	As at Mar 31, 2020 No. of Shares	% of holding	As at Mar 31, 2019 No. of Shares	% of holding
Equity shares of Rs. 100 each fully paid								
Name of the Shareholder								
Prism Johnson Limited	72,446	100%	72,446	100%	72,446	100%	72,446	100%

2.13 Other equity

	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
General reserve				
Retained earnings	2,783.54	2,549.04	2,877.01	2,453.55
Capital redemption reserve	225.00	225.00	225.00	225.00
Securities Premium Reserve	230.00	230.00	230.00	230.00
Capital Reserve	235.93	235.93	235.93	235.93
	[illegible]	[illegible]	[illegible]	[illegible]
Retained earnings				
Balance at beginning of year	2,877.01	2,453.55	2,453.55	[illegible]
Profit for the year	-92.37	[illegible]	427.82	[illegible]
(-) Redemption of Preference Share	-	-	-	[illegible]
Adjustments relating to [illegible]	-	-	-	-
Items of other comprehensive income recognised directly in retained earnings	[illegible]	[illegible]	[illegible]	[illegible]
Balance as at the end of the year	2,783.54	2,549.04	2,877.01	2,453.55
Capital redemption reserve				
Balance as at the beginning of the year	225.00	225.00	225.00	[illegible]
Movements during the year	-	-	-	[illegible]
Balance as at the end of the year	225.00	225.00	225.00	225.00
Securities Premium Reserve				
Balance as at the beginning of the year	230.00	230.00	230.00	230.00
Additions during the Year				
[illegible]				
Balance as at the end of the year	230.00	230.00	230.00	230.00
Capital Reserve				
Balance as at the beginning of the year	235.93	235.93	235.93	235.93
Additions during the Year				
Deductions during the year				
Balance as at the end of the year	235.93	235.93	235.93	235.93
Total other equity	[illegible]	[illegible]	[illegible]	[illegible]

2.14 Borrowings

	Non Current: As at June 30, 2020	2019	As at Mar 31, 2020	2019	Current: As at June 30, 2020	2019	As at Mar 31, 2020	2019
Secured								
Vehicle Loan								
from banks	3.62	4.75	4.03	[illegible]			-	
Loans repayable on demand								
from banks	-		-	-				
Bank overdrafts and cash credits	-		-	-	[illegible]	[illegible]	[illegible]	[illegible]
(Refer Note [illegible])	-		-	-				
Unsecured								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]				
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Less: Current maturities of long-term debt (included in Note 2.15)	1.58	1.09	1.19	1.07				
Total	[illegible]	[illegible]	[illegible]	[illegible]				

(b) Nature of Security and terms of repayment for secured borrowings (other than debentures).

	Nature of Security	Terms of Repayment	As at Jun 30, 2020	2019	As at Mar 31, 2020	2019
i	Vehicle Loan from Bank has been secured against hypothecation of vehicle	Repayable in 60 equal Installment from April 2018	3.62	4.75	4.03	[illegible]

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Milano Bathroom Fittings Private Limited
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(All amounts are in Lakhs unless otherwise stated)

(d) Details of long term borrowings guaranteed by some of the directors or others:

Particulars	As at Jun 30, 2020	As at Jun 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Term loans from banks				
Director				
Others				

The carrying amount of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed below:

(e) Assets pledged as security:

Particulars	As at Jun 30, 2020	As at Jun 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Current				
Financial assets				
First charge				
Investment securities				
Floating charge				
Cash and cash equivalents	6.84	4.29	2.53	[illegible]
Receivables	1,823.11	2,660.21	2,623.23	[illegible]
Non-financial assets				
First charge				
Inventories	[illegible]	[illegible]	[illegible]	[illegible]
	2,733.55	3,530.35	3,491.27	[illegible]
Non-current				
Cost of asset				
Building	-	-	332.62	[illegible]
Plant & Equipments	47.69	-	[illegible]	[illegible]
Furniture, fittings and equipment acquired under finance lease	9.85	-	60.41	[illegible]
	57.54	-	[illegible]	[illegible]
Total assets pledged as security	[illegible]	3,531.36	[illegible]	[illegible]

2.15 Trade payables

	Non Current				Current			
	As at June 30,		As at Mar 31,		As at June 30,		As at Mar 31,	
	2020	2019	2020	2019	2020	2019	2020	2019
Total outstanding dues of Micro Enterprises & Small Enterprises	-	-	-	-	-	73.19	111.11	[illegible]
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	-	-	-	-	21.24	203.38	251.77	[illegible]
	-	-	-	-	21.24	276.58	362.88	[illegible]

2.16 Other financial liabilities

	Non Current				Current			
	As at June 30,		As at Mar 31,		As at June 30,		As at Mar 31,	
	2020	2019	2020	2019	2020	2019	2020	2019
Current maturities of long-term debt			-	-	1.30	1.09	1.19	[illegible]
Preference Dividend Payable					2.35	2.66	[illegible]	[illegible]
Salary and Employee benefits payable					22.07	34.13	25.66	[illegible]
Financial Lease Obligations	1.53	3.39	3.49	3.36				
Liability for expenses			-		17.22	13.12	13.89	[illegible]
Trade Payable-Capital Goods/Works								
	1.53	3.39	3.49	3.36	42.93	51.07	43.09	[illegible]
Details of Current Maturity of Long Term Debt								
Secured Loans								
Term Loan								
Vehicle Loan from Bank					1.30	1.09	1.19	[illegible]
					1.30	1.09	1.19	[illegible]
Unsecured Loans								
Preference Shares								
							1.19	[illegible]

2.17 Provisions

	Non Current				Current			
	As at June 30,		As at Mar 31,		As at June 30,		As at Mar 31,	
	2020	2019	2020	2019	2020	2019	2020	2019
Employee Benefits								
Provision for Gratuity	33.26	36.83	31.64	21.31	8.01	6.68	8.61	[illegible]
Provision for Leave Encashment	19.09	16.15	18.79	15.66	7.03	23.10	7.68	[illegible]
Provision for Bonus			-		25.44	5.76	20.31	[illegible]
	52.36	49.01	50.43	37.27	41.63	37.91	36.61	[illegible]
Others								
Provision for Excise Duty on Closing Stock	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	52.36	49.01	50.43	37.27	41.63	37.91	36.61	[illegible]

2.18 Other liabilities

	Non Current				Current			
	As at June 30,		As at Mar 31,		As at June 30,		As at Mar 31,	
	2020	2019	2020	2019	2020	2019	2020	2019
Deferred Income	25.56	31.87	27.09	33.46			-	-
Statutory Liabilities			-	-	4.45	9.33	5.54	[illegible]
	25.56	31.87	27.09	33.46	4.45	9.33	5.54	[illegible]

Fittings Pvt. Ltd.

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2.19 Revenue from operations

	Quarter ended June 30,		Year ended March 31,	
	2020	2019	2020	2019
Revenue from operations				
Sale of products	214.41	1,330.91	5,640.19	5,654.45
Revenue from operations	214.41	1,330.91	5,640.19	5,654.45

2.20 Other Income

	Quarter ended June 30,		Year ended March 31,	
	2020	2019	2020	2019
Interest Income on				
Interest income earned on financial assets that are not designated as fair value through profit or loss .				
Others	-	1.18	34.92	14.40
Other non - operating income				
Dividend Income	-		0.18	0.15
Subsidy	1.65	30.58	85.77	172.02
Other	1.60	2.26	7.26	6.39
Miscellaneous Income	-		-	-
Other gains and losses				
Net gain on sale of long term investments				
Net gain on foreign currency transaction and translations other than finance cost	-		-	
Profit on Sale of property, plant and equipment (net)	-		-	-
	3.25	34.02	128.13	193.61

2.21 Cost of materials consumed

	Quarter ended June 30,		Year ended March 31,	
	2020	2019	2020	2019
Raw Material Consumption	215.86	798.23	3,476.18	3,454.86
Chemicals Consumption	8.11	23.77	104.53	95.00
Consumables Consumption	2.50	12.39	53.69	55.35
Packing Consumption	11.02	43.64	203.85	207.23
	237.49	878.04	3,838.26	3,812.44

2.23 (Increase) /decrease in inventories

	Quarter ended June 30,		Year ended March 31,	
	2020	2019	2020	2019
Inventories at the end of the year				
Work - in - progress	76.34	144.05	87.88	69.03
Finished goods	273.87	180.83	164.52	318.65
	350.21	324.88	252.40	387.68
Inventories at the beginning of the year				
Work - in - progress	87.88	69.03	69.03	77.01
Finished goods	164.52	318.65	318.65	437.73
	252.40	387.68	387.68	514.74
	-97.82	62.80	135.28	127.06

2.24 Manufacturing expenses

	Quarter ended June 30,		Year ended March 31,	
	2020	2019	2020	2019
Power and fuel consumed	12.71	25.12	114.06	115.78
Repairs to plant and machinery	0.65	1.53	7.58	9.10
Other manufacturing expense	0.68	1.55	7.33	7.08
	14.04	28.20	128.96	131.95

2.25 Employee Benefits Expense

	Quarter ended June 30,		Year ended March 31,	
	2020	2019	2020	2019
Salaries, wages and bonus	108.47	172.69	764.80	675.23
Contribution to provident and other fund	6.34	8.83	34.19	28.15
Gratuity	1.42	4.97	6.98	6.61
Leave encashment	1.59	3.27	7.65	5.50
Staff welfare expenses	1.14	3.89	20.74	20.04
	118.96	193.66	834.37	733.83

2.26 Finance Costs

	Quarter ended June 30,		Year ended March 31,	
	2020	2019	2020	2019
Interest and Finance charges on financial liabilities not a FVTPL				
Interest on Overdraft / Cash Credit	10.61	26.26	93.05	117.07
Interest on Term Loan	0.02	0.11	0.47	0.50
Interest expense on redeemable preference shares	1.42	1.30	5.22	30.10
Other interest expenses	0.00	2.00	3.49	0.01
Amortization of Leasehold Land	0.10	0.10	0.40	0.39
Preference Share Dividend including Corporate Tax	-	0.31	2.35	4.44
Other borrowing costs				
Other Financial Charges			-	11.44
	12.16	30.10	104.98	163.94

2.27 Depreciation and amortization expense

	Quarter ended June 30,		Year ended March 31,	
	2020	2019	2020	2019
Depreciation of property, plant and equipment	15.64	15.65	64.28	87.39
	15.64	15.65	64.28	87.39

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MUMBAI
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All amounts are in Lakhs unless otherwise stated

2.28 Other Expenses	Quarter ended June 30,		Year ended March 31,	
	2020	2019	2020	2019
Rent and Maintenance	-		-	1.82
Repairs to Building	1.45	0.10	2.93	1.14
Repairs to Others	0.38	0.45	1.82	1.57
Insurance	0.83	0.58	2.84	3.74
Rates & taxes	0.47	0.54	1.86	2.04
Travelling & Communication Expenses	3.36	3.98	12.53	9.10
Legal and Professional Charges	1.58	2.48	8.62	6.24
Security Service Charges	1.17		6.00	7.91
Loss on exchange fluctuation	-	1.56	-	7.82
Loss on Sale of Assets	-	2.51	6.59	-
Other Expenses	3.95	9.86	24.17	21.48
Bank Charges	0.27	0.84	2.99	5.22
Freight outward	0.07	2.90	7.75	31.16
CSR Expenses	-		11.48	10.00
Discounts, incentives and commission on sales	-		-	0.17
	11.54	25.82	89.55	104.46

Payment to Auditors

	Quarter ended June 30,		Year ended March 31,	
	2020	2019	2020	2019
As auditor				
Statutory Audit fee			4.50	3.66
Tax Audit Fee			0.60	0.50
In other Capacity				
Taxation matters			1.00	1.30
Reimbursement of Expenses			0.41	0.29
	-	-	6.51	5.79

2.29 Tax expenses	Quarter ended June 30,		Year ended March 31,	
	2020	2019	2020	2019
(a) Income tax expenses :				
Current tax assets				
In respect of the current year	-	30.98	98.61	141.76
In respect of prior years	-0.04	2.86	4.13	1.03
Others				
	-0.04	33.84	102.74	142.79
Deferred tax				
In respect of the current year				
In respect of Temporary Differences	-1.96	-4.87	-4.22	-4.89
In respect of Mat Credit Entitlement	-	4.08	46.26	-79.88
	-1.96	-0.78	42.04	-84.78
Total income tax expense recognised in the current year	-2.00	33.06	144.78	58.01
(b) Income tax recognised in other comprehensive income				
Remeasurements of the defined benefit plans	-0.42	-1.11	-1.68	-0.05
	-0.42	-1.11	-1.68	-0.05
(c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate :				
Profit from continuing operations before income tax expense	-94.37	130.65	572.60	656.99
Profit from discontinuing operations before income tax expense				
Tax at the Indian tax rate of 25% (2018-19 - 25%)*	-	30.98	98.61	131.76
Tax effect of amounts which are not deductible (taxable) in calculating taxable income :				
Goodwill impairment				
Amortisation of intangibles				
Weighted deduction on research and development expenditure				
Contingent consideration				
Other items				
Difference in overseas tax rates				
Adjustments for current tax of prior periods				
Income tax expense				
(d) Amounts recognised directly in equity :				
Aggr				
Current tax	-0.42	-1.11	-1.68	-0.05
Deferred tax				
(e) Tax losses				
Unused tax losses for which no deferred tax asset has been recognised			-	
Potential tax benefit @ 30%			-	

Milano Bathroom Fittings Pvt. Ltd.

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

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A. P. SANZGIRI & CO.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT
To the Members of Silica Ceramica Private Limited
Report on the Audit of the Financial Statements

Opinion
We have audited the financial statements of **Silica Ceramica Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, and the statement of Profit and Loss (including Other Comprehensive Income), 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, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules,2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its Loss and Total Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion
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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon
The company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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

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

A. P. SANZGIRI & CO. MUMBAI F. R. NO. 116293W CHARTERED ACCOUNTANTS

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the

A. P. SANZGIRI & CO. MUMBAI F. R. NO 116293W CHARTERED ACCOUNTANTS 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act

(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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the company.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 4.03 to the financial statements.

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

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

For A. P. Sanzgiri & Co.
Chartered Accountants
FRN: 116293W

Satish Gupta

Satish Kumar Gupta
Partner
Membership No. 101134
UDIN: 20101134AAAACM3997

Place: Mumbai
Date: May 22, 2020

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Silica Ceramica Private Limited of even date)

The Annexure referred to in Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2020, we report that:

i. Fixed Assets

a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size and nature of the Company. Discrepancies notices on such physical verification have been properly dealt in the books of accounts;

c. According to the information and explanation given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the company.

ii. Inventories

a. Physical verification has been conducted by the management at reasonable intervals in respect of finished goods, stores, spare parts and raw materials.
b. In our opinion the Company is maintaining proper records of inventories. The discrepancies noticed on such verification between the physical stocks and book records were not significant and the same have been properly dealt with in the books of account.

iii. 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 clause iii (a) to (c) of the Order, is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has not made any investment, provided any Loan, security and guarantee, so provision of Section 185 and 186 of the Companies Act, 2013 is not applicable.

v. The Company has not accepted any deposits from Public.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the Services provided by the Company.

vii. Statutory Dues

a. According to our information and explanations given to us and on the basis of examination of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, pension scheme, income tax, goods and service tax, cess and any other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities. For the purpose of this reporting, the Company has availed the extension of time granted by the government authorities for payment of Goods and Service tax with payment of reduced interest for the month of March 2020 which is now due on June 24, 2020.

b. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, pension scheme, income tax, goods and service tax, cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

c. According to the information and explanations given to us, there are no material dues of duty of customs, goods and service tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of Income tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of Dues	Amount in Lakhs	Forum where dispute is pending
Income Tax act- 1961	Income Tax	46.77	Commissioner of Income tax (Appeals)

viii. In our opinion and according to the information and explanation given to us the company has not defaulted in repayment of loans or borrowings to a financial institutions or bank.

ix. The Company has raised monies by way of term loans during the year which were utilised for the purpose for which they were 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 is in compliance with provisions of Section 197 read with Schedule V to the Companies Act, 2013.

xii. In our opinion and according to the information and explanation given to us, Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us all transactions with the related parties are in compliance with section 177 and 188 of companies act, 2013 where applicable and the details have been disclosed in the 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 made not made any preferential allotment or private placement of shares during the year. The Company has not issued any 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

A. F. SANZGIRI & CO. MUMBAI F. R. NO. 116293W CHARTERED ACCOUNTANTS directors or persons connected with him. 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 A. P. Sanzgiri & Co.
Chartered Accountants
FRN: 116293W

Satish Kumar Gupta
Partner
Membership No. 101134
UDIN: 20101134AAAACM3997

Place: Mumbai
Date: May 22, 2020

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Silica Ceramica Private Limited of even date)

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 Silica Ceramica Private Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 ICAI 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.

A. P. SANZGIRI & CO. MUMBAI F. R. NO. 116293W CHARTERED ACCOUNTANTS

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 authorisations 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, to the best of our information and according to the explanations given to us, 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 31 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 A. P. Sanzgiri & Co.
Chartered Accountants
FRN: 116293W

Satish Kumar Gupta
Partner
Membership No. 101134
UDIN: 20101134AAAACM3997

Place: Mumbai
Date: May 22, 2020

SILICA CERAMICA PRIVATE LIMITED

CIN:U26933AP2006PTC051977

Registered Office

Narayanapuram Village, Ungutur Mandal, West Godavari Dist., (AP)- 534 407.

Auditors

A.P. Sanzgiri & Co, Santacruz (East),Mumbai- 400 055.

Bankers

Yes Bank Ltd, Hyderabad

Axis Bank Ltd, Hyderabad

Axis Bank Ltd, Tadepalligudem

ICICI Bank Ltd, Tadepalligudem

ICICI Bank Ltd, Mumbai

State Bank of India, Tadepalligudem

Aditya Birla Finance Ltd, Mumbai

Silica Ceramics Private Limited
CIN : U26933AP2006PTC051977
Registered Office: Survey No. 96-107, Narayanapuram Village, Ungutur Mandal, West Godavari Dist., Pin - 534407, A.P.
STATEMENT OF ASSETS & LIABILITIES AS AT MARCH 31, 2020

₹ Crores

Sr. No.	Particulars	Standalone Year Ended as at Mar 31, 2020	Standalone Year Ended as at Mar 31, 2019
A	**ASSETS**		
1	**Non Current Assets :**		
(a)	Property, Plant and Equipment	156.46	160.19
(b)	Capital work-in-progress	0.37	2.95
(c)	Other Intangible assets	0.01	0.02
(d)	Financial Assets		
(i)	Investments		
(ii)	Loans	2.25	4.75
(iii)	Others		
(e)	Deferred Tax Assets (net)	7.91	7.91
(f)	Other non-current assets	4.00	1.34
		171.00	177.16
2	**Current Assets :**		
(a)	Inventories	58.37	56.38
(b)	Financial Assets		
(i)	Trade receivables	7.89	26.36
(ii)	Cash and cash equivalents	1.26	0.59
(iii)	Bank balances other than (ii) above	0.09	0.66
(iv)	Loans	0.31	0.10
(v)	Others	0.43	0.28
(c)	Current Tax Assets (Net)	0.57	0.49
(d)	Other current assets	23.00	23.55
		91.92	108.41
	Total Assets	262.92	285.57
B	**EQUITY AND LIABILITIES**		
1	**Equity :**		
(a)	Equity Share Capital	121.61	86.61
(b)	Other Equity	(77.49)	(42.34)
		44.12	44.27
2	**Liabilities :**		
I	**Non Current Liabilities :**		
(a)	Financial Liabilities		
(i)	Borrowings	161.23	81.07
(ii)	Lease Liabilities	0.87	-
(iii)	Other financial liabilities (other than those specified in (b) below)	-	-
(b)	Provisions	0.87	0.70
(c)	Other non-current liabilities	-	-
		162.97	81.77
II	**Current Liabilities :**		
(a)	Financial Liabilities		
(i)	Borrowings	17.45	25.20
(ii)	Trade payables	12.76	24.57
(iii)	Lease Liabilities	1.05	-
(iv)	Other financial liabilities (other than those specified in (c) below)	23.81	109.04
(b)	Other current liabilities	0.27	0.38
(c)	Provisions	0.49	0.34
(d)	Current Tax Liabilities	-	-
		55.83	159.53
	Total Equity and Liabilities	262.92	285.57

Note :

1 The above financial results have been reviewed and approved by the Board of Directors at their meeting held on 22nd May, 2020

2 Income from operations has been presented in accordance with Ind AS 18.

3 Figures of the previous year have been regrouped wherever necessary.

For and on behalf of A.P. Sanzgiri & Co,
Chartered Accountants
Firm Reg No. 116293W

CA Satish Gupta
Partner
Membership No: 101134

Place : Mumbai
Date : 22 MAY 2020

For and on behalf of the Board

Sunil Kumar Sethi
Executive Director & CEO
DIN: 06442737

Prem Narayan Trivedi
Director
DIN: 00535201

Aaditya Mahadik
Company Secretary
ACS 45219

R. Surya Prakasa Rao
CFO

Place : Mumbai
Date : 22 MAY 2020

SILICA CERAMICA PRIVATE LIMITED
CIN : U26933AP2006PTC051977
Registered Office: Survey No. 96-107, Narayanapuram Village, Ungutur Mandal, West Godavari Dist., Pin - 534407, A.P.
STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS
For the quarter and Year ended March 31, 2020

₹ Crores

Sr. No.	Particulars	Audited Quarter Ended			Audited Year Ended	
		Mar 31, 2020	Dec 31, 2019	Mar 31, 2019	Mar 31, 2020	Mar 31, 2019
1	Income from operations :					
(a)	Net Sales	22.03	27.07	35.62	103.07	127.85
(b)	Other Income from operations	(0.13)	0.25	0.13	0.51	1.23
	Total Income from operations	21.90	27.32	35.75	103.58	129.08
2	Expenses :					
(a)	Cost of materials consumed	6.28	9.88	11.46	34.73	47.98
(b)	Purchases of stock-in-trade	0.25	-	0.27	0.25	0.27
(c)	Stores and spares consumed	1.68	2.51	1.01	8.82	10.43
(d)	Power & fuel	4.76	9.66	10.88	39.58	47.87
(e)	Employee benefits expense	4.17	3.58	4.10	15.88	16.01
(f)	Freight outward	-	-	-	-	-
(g)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.34	(1.48)	4.51	(3.78)	(5.58)
(h)	Depreciation and amortisation expense	3.14	3.04	2.32	12.66	10.42
(i)	Other expenses	1.76	1.78	3.30	6.34	8.77
	Total Expenses	24.37	28.97	37.84	114.47	136.16
3	Profit / (Loss) from operations before Other Income, Finance cost and Exceptional items (1-2)	(2.47)	(1.65)	(2.10)	(10.89)	(7.11)
4	Other Income	0.10	0.16	0.71	0.93	0.91
5	Profit from ordinary activities before Finance cost and Exceptional items (3+4)	(2.37)	(1.49)	(1.39)	(9.96)	(6.20)
6	Finance cost	6.06	5.98	6.20	24.83	24.70
7	Profit / (Loss) from ordinary activities before Exceptional items (5-6)	(8.43)	(7.47)	(7.59)	(34.79)	(30.90)
8	Exceptional items	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before Tax (7(+/-)8)	(8.43)	(7.47)	(7.59)	(34.79)	(30.90)
10	Tax expenses	-	-	-	-	-
11	Net Profit / (Loss) for the period (9-10)	(8.43)	(7.47)	(7.59)	(34.79)	(30.90)
12	Other Comprehensive Income (net of tax)	-	(0.05)	0.02	(0.05)	(0.02)
13	Total Comprehensive Income (after tax) (11+12)	(8.43)	(7.52)	(7.58)	(34.84)	(30.92)
14	Paid-up Equity Share Capital (Face value ₹ 10/- per share)	121.61	86.61	86.61	121.61	86.61
15	Net Worth	44.12	52.55	44.27	44.12	44.27
16	Earning Per Share - (Basic, diluted and not annualised) (₹)	(0.69)	(0.61)	(0.88)	(3.39)	(4.99)

Notes :

1 The above financial results have been reviewed and approved by the Board of Directors at their meeting held on 22nd May, 2020.

2 Income from operations has been presented in accordance with Ind AS 18.

Figures of the previous period have been regrouped whereever necessary.

For and on behalf of A.P. Sanzgiri & Co,
Chartered Accountants
Firm Reg No. 116293W

Satish Gupta

CA Satish Gupta
Partner
Membership No: 101134

Place : Mumbai
Date : 22 MAY 2020

For and on behalf of the Board

Sunil Kumar Sethi
Executive Director & CEO
DIN: 06442737

Prem Narayan Trivedi
Director
DIN: 00535201

Aditya Mahadik
Company Secretary
ACS 45219

R. Surya Prakasa Rao
CFO

Place : Mumbai
Date : 22 MAY 2020

Silica Ceramica Private Limited
Balance Sheet as at March 31, 2020
All amounts are in Lakhs unless otherwise stated

	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	2.01	15,646.49	16,019.35
Capital work-in-progress		36.80	295.21
Investment Property		-	-
Goodwill		-	-
Other Intangible assets	2.02	0.81	1.63
Intangible assets under development		-	-
Financial assets			
Investments		-	-
Trade Receivables	2.03	-	-
Loans	2.04	225.24	474.57
Other financial assets	2.05	-	-
Deferred tax assets (Net)	2.06	791.33	791.33
Other non-current assets	2.07	399.51	133.52
Total non-current assets		17,100.18	17,715.61
Current Assets			
Inventories	2.08	5,836.90	5,637.77
Financial Assets			
Investments			
Trade Receivables	2.03	789.28	2,635.55
Cash and cash equivalents	2.09	126.06	59.55
Bank balances other than 2.09 above	2.09	8.92	65.50
Loans	2.04	30.70	10.34
Other financial assets	2.05	43.09	28.05
Current tax assets (Net)	2.10	56.81	49.35
Non-current assets classified as held for sale		-	-
Other current assets	2.07	2,299.61	2,355.41
Total current assets		9,191.37	10,841.52
Total assets		26,291.55	28,557.13
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	2.11	12,160.83	8,660.83
Other Equity	2.12	(7,748.80)	(4,233.62)
Total equity		4,412.03	4,427.21
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	2.13	16,122.78	8,106.87
Trade payables	2.14	-	-
Lease Liabilities	2.15	87.26	-
Other financial liabilities	2.16	-	-
Provisions	2.17	87.43	70.38
Deferred tax liabilities (Net)		-	-
Other non-current liabilities	2.18	-	-
Total non-current liabilities		16,297.47	8,177.25
Current liabilities			
Financial Liabilities			
Borrowings	2.13	1,744.99	2,520.06
Trade payables	2.14		
Total outstanding dues of Micro Enterprises & Small Enterprises		100.77	311.32
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises		1,175.28	2,145.30
Lease Liabilities	2.15	104.99	-
Other financial liabilities	2.16	2,380.60	10,904.05
Other current liabilities	2.18	26.65	37.77
Provisions	2.17	48.77	34.17
Current Tax Liabilities (Net)		-	-
Total current liabilities		5,582.05	15,952.67
Total equity and liabilities		26,291.55	28,557.13

Summary of Significant Accounting Policies 1
The notes form an integral part of the financial statements
As per our report of even date

For and on behalf of A.P. Sanzgiri & Co.
Chartered Accountants
Firm Reg No. 116293W

CA Satish Gupta
Partner
Membership No: 101134

Place : Mumbai
Date : 22 MAY 2020

For and on behalf of the Board

Sunil Kumar Sethi
Executive Director & CEO
DIN: 06442737

Prem Narayan Trivedi
Director
DIN: 00535201

Aditya Mahadik
Company Secretary
ACS 45219

R. Surya Prakasa Rao
CFO

Place : Mumbai
Date : 22 MAY 2020

Silica Ceramica Private Limited

Statement of Profit or Loss and Other Comprehensive Income for the year ended March 31, 2020

All amounts are in Lakhs unless otherwise stated

	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations	3.01	10,358.16	12,905.66
Other income	3.02	93.48	90.90
Total Income		10,451.64	12,996.56
Expenses			
Cost of materials consumed	3.03	3,472.58	4,797.62
Purchase of stock-in-trade	3.04	24.68	27.18
Changes in inventories of finished goods, work-in-progress and stock-in-trade	3.05	(377.94)	(557.58)
Excise duty on sale of goods		-	-
Manufacturing expenses	3.06	5,007.23	6,031.32
Employee benefits expense	3.07	1,588.13	1,601.32
Finance costs	3.08	2,483.37	2,470.39
Depreciation and amortization expense	3.09	1,265.81	1,041.72
Other expenses	3.10	466.83	674.85
Total Expenses		13,930.69	16,086.82
Profit / (loss) before exceptional items and tax		(3,479.05)	(3,090.26)
Exceptional items		-	-
Profit / (loss) before tax		(3,479.05)	(3,090.26)
Tax expenses			
Current tax		-	-
Deferred tax		-	-
		-	-
Profit / (loss) for the period from continuing operations		(3,479.05)	(3,090.26)
Profit / (loss) for the period from discontinued operations before tax		-	-
Tax expense of discontinued operations		-	-
Profit / (loss) for the period from discontinued operations (after tax)		-	-
Profit/ (loss) for the period		(3,479.05)	(3,090.26)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(4.88)	(1.38)
Equity instruments through other comprehensive income			
		(4.88)	(1.38)
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income		(4.88)	(1.38)
Total comprehensive income for the period		(3,483.93)	(3,091.64)
Earnings per equity share (for continuing operations) :			
Basic (in ₹)		(3.39)	(4.99)
Diluted (in ₹)		(3.39)	(4.99)
Earnings per equity share (for discontinued operations) :			
Basic (in ₹)		-	-
Diluted (in ₹)		-	-
Earnings per equity share (for discontinued and continuing operations) :			
Basic (in ₹)		(3.39)	(4.99)
Diluted (in ₹)		(3.39)	(4.99)
Summary of Significant Accounting Policies	1		

The notes form an integral part of the financial statements

As per our report of even date

For and on behalf of A.P. Sanzgiri & Co,
Chartered Accountants
Firm Reg No. 116293W

CA Satish Gupta
Partner
Membership No: 101134

Place : Mumbai
Date : 22 MAY 2020

For and on behalf of the Board

Sunil Kumar Sethi
Executive Director & CEO
DIN: 06442737

Prem Narayan Trivedi
Director
DIN: 00535201

Aaditya Mahadik
Company Secretary
ACS 45219

R. Surya Prakasa Rao
CFO

Place : Mumbai
Date : 22 MAY 2020

Silica Ceramica Private Limited

Statement of Cash Flows for the year ended March 31, 2020

All amounts are in Lakhs unless otherwise stated

	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from operating activities		
Profit Before Tax from Continuing Operations	(3,483.93)	(3,091.64)
Profit Before Tax from Discontinuing Operations	-	-
Profit before income tax including discontinued operations	(3,483.93)	(3,091.64)
Non-cash Adjustment to Profit Before Tax:		
Depreciation and amortization expense	1,265.81	1,041.72
Gain on disposal of property, plant and equipment	(3.39)	(51.60)
Loss on disposal of property, plant and equipment	3.21	105.30
Profit on disposal of Right of Use Lease Assets (net)	(4.46)	-
Interest income classified as investing cash flows	(46.98)	(4.22)
Finance costs on Borrowings	2,431.32	2,470.39
Finance costs on Lease Liabilities	52.05	-
Unrealised foreign currency gains and losses	(10.64)	(20.37)
	202.99	469.58
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	1,846.27	151.93
Decrease/(increase) in inventories	(199.13)	(795.86)
Decrease/(increase) in other financial assets	(15.04)	8.56
Decrease/(increase) in other non-current assets	(16.66)	116.26
Decrease/(increase) in Loans	(20.36)	(8.90)
Decrease/(increase) in other current assets	41.81	1,595.24
Increase/(decrease) in trade payables	(1,169.93)	592.97
Increase/(decrease) in employee benefit obligations	31.65	11.22
Increase/(decrease) in other financial liabilities	(436.99)	(3,559.23)
Increase/(decrease) in other current liabilities	(11.12)	(171.25)
Cash generated from operations	253.58	(1,589.48)
Direct taxes paid (net of refunds)	-	-
Net cash flow from/(used in) operating activities (A)	253.58	(1,589.46)
Cash flow from investing activities		
Payments for acquisition of property, plant and equipment including capital work in progress	(205.43)	(975.77)
Margin Money with banks withdrawn	56.58	(9.72)
Advances to employees and other parties	(31.69)	(15.09)
Proceeds from sale of property, plant and equipment	3.39	343.91
Repayment of advances by employees and other parties	36.90	17.03
Interest received	46.98	4.22
Net cash flow from/(used in) investing activities (B)	(93.27)	(635.42)
Cash flows from financing activities		
Proceeds from borrowings	12,429.36	5,026.31
Payment of Principal portion of Lease Liabilities during the Year	(233.47)	-
Repayments of borrowings	(12,500.00)	(1,875.00)
Proceeds from Issue of Shares including share premium net of share issue expenses	3,468.75	2,477.50
Finance Cost on Lease liabilities	(52.05)	-
Repayment of short-term borrowings	(775.07)	(978.78)
Finance Cost	(2,431.32)	(2,470.39)
Net cash flow from/(used in) in financing activities (C)	(93.80)	2,179.64
Net increase/(decrease) in cash and cash equivalents (A+B+C)	66.51	(45.26)
Effect of exchange differences on cash & cash equivalent held in foreign currency		
Cash and cash equivalents at the beginning of the year	59.55	104.81
Cash and cash equivalents at the end of the year	126.06	59.55
Non-cash financing and investing activities		
Acquisition of property, plant and equipment by means of finance lease	-	-
	-	-
Reconciliation of cash and cash equivalents as per the cash flow statement :		
Cash and cash equivalents	126.06	59.55
Bank overdrafts	-	-
Balance as per the cash flow statement :	126.06	59.55

Disclosure in terms of Para 44A of IND AS 7 "Statement of Cash flows".

Details of Changes in Liabilities arising from Financing activities

	Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
	Changes due to		
a	Changes from Financing cash flows	2,491.46	4,646.22
b	Effect of Changes in Foreign exchange Rates	-	-
c	Other Changes including 1.Changes on account of amortisation of Borrowing costs under Effective Interest rate Method	(70.64)	26.31
	2. Transaction costs on issue of Equity Shares	(31.25)	(22.50)
	3. Finance costs on Lease and Borrowing Costs	(2,483.37)	(2,470.39)
	Total	(93.80)	2,179.64

Summary of Significant Accounting Policies 1

The notes form an Integral part of the financial statements

As per our report of even date

For and on behalf of A.P. Sanzgiri & Co,
Chartered Accountants
Firm Reg No. 116293W

Satish Gupta

CA Satish Gupta
Partner
Membership No: 101134

A.P. SANZGIRI & CO. MUMBAI F. R. NO 116293W CHARTERED ACCOUNTANTS

Place : Mumbai
Date : 22 MAY 2020

For and on behalf of the Board

Sunil Kumar Sethi
Executive Director & CEO
DIN: 06442737

Prem Narayan Trivedi
Director
DIN: 00535201

Amahadik

Aditya Mahadik
Company Secretary
ACS 45219

R. Surya Prakasa Rao
CFO

Place : Mumbai
Date : 22 MAY 2020

Silica Ceramica Private Limited
Statement of changes in equity for the year ended March 31, 2020
All amounts are in Lakhs unless otherwise stated

Equity share capital	*Amount*
Balance at April 1, 2018	6,160.83
Changes in equity share capital during the year	2,500.00
Balance at March 31, 2019	**8,660.83**
Changes in equity share capital during the year	3,500.00
Balance at March 31, 2020	**12,160.83**

Silica Ceramica Private Limited
Statement of changes in equity for the year ended March 31, 2020 - continued
All amounts are in Lakhs unless otherwise stated

Other equity	Reserves and Surplus			Items of Other Comprehensive Income		
	Other Equity Representing Fair value of the Financial Guarantee provided by parent Company	Securities Premium Reserve	Retained earnings	Remeasurements of the defined benefit plans	Items of Other Comprehensive Income	Total
Balance at April 1, 2019	478.07	15,115.52	(19,827.21)	-	-	(4,233.62)
						-
Profit for the year	-	-	(3,479.05)	-	-	(3,479.05)
Other comprehensive income	-	-	-	(4.88)	-	(4.88)
Total comprehensive income for the year	478.07	15,115.52	(23,306.26)	(4.88)	-	(7,717.55)
Share issue expenses	-	(31.25)	-	-	-	(31.25)
Transfer to retained earnings	-	-	(4.88)	4.88	-	-
Balance at March 31, 2020	478.07	15,084.27	(23,311.14)	-	-	(7,748.80)

Silica Ceramica Private Limited
Notes to Financial Statements for the year ended March 31, 2020
All amounts are in Lakhs unless otherwise stated

2.01 Property, plant and equipment :

	Gross Carrying Amount							Depreciation					Net Block	
	As at April 1, 2019	Addition	Disposal	Acquisition through business combinations	Effect of Foreign currency exchange differences	Construction expenditures capitalised	As at March 31, 2020	As at April 1, 2019	For the Year	Elimination on disposal	Other adjustments - Transferred to Retained Earnings	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Own Assets:														
Land - Freehold	1,994.06	-	-	-	-	-	1,994.06	-	-	-	-	-	1,994.06	1,994.06
Buildings	2,643.15	19.46	-	-	-	-	2,662.61	440.97	118.78	-	-	559.75	2,102.86	2,202.18
Plant and Machinery	15,232.53	440.03	22.99	-	-	-	15,649.57	3,474.86	903.80	19.78	-	4,358.88	11,290.69	11,757.67
Railway siding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Office Equipment	34.99	0.75	-	-	-	-	35.74	25.45	1.77	-	-	27.22	8.52	9.54
Computers	27.36	2.86	-	-	-	-	30.22	19.24	2.59	-	-	21.83	8.39	8.12
Mines Development	0.76	-	-	-	-	-	0.76	0.02	0.02	-	-	0.04	0.72	0.74
Furniture & Fixtures	74.38	0.74	-	-	-	-	75.12	35.79	8.53	-	-	44.32	30.80	38.59
Vehicles	12.36	-	3.01	-	-	-	9.35	3.91	1.24	3.01	-	2.14	7.21	8.45
Live Stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Truck Mixers, Loaders and Truck Dumpers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total ....A	20,019.59	463.84	26.00	-	-	-	20,457.43	4,000.24	1,036.73	22.79	-	5,014.18	15,443.25	16,019.35
Right of Use Assets														
Land	22.65	10.06	-	-	-	-	32.71	-	3.33	-	-	3.33	29.38	22.65
Plant and Machinery	321.36	172.35	189.60	-	-	-	304.11	-	224.93	94.68	-	130.25	173.86	321.36
Total ....B	344.01	182.41	189.60	-	-	-	336.82	-	228.26	94.68	-	133.58	203.24	344.01
Total .... A+B	20,363.60	646.25	215.60	-	-	-	20,794.25	4,000.24	1,264.99	117.47	-	5,147.76	15,646.49	16,363.36

Assets pledged as security :

All Tangible fixed assets both movable and immovable with a carrying amount of Rs.15443.25(as at March 31, 2019: Rs 16019.35) have been pledged to secure borrowings from Banks and Financial Institutions. All the above assets have been pledged at second pari-passu charge to secure cash credit and working capital loans.

2.02 Other Intangible Assets :

	Gross Carrying Amount							Depreciation					Net Block	
	As at April 1, 2019	Addition	Disposal	Acquisition through business combinations	Effect of Foreign currency exchange differences	Construction expenditures capitalised	As at March 31, 2020	As at April 1, 2019	For the Year	Elimination on disposal	Other adjustments - Transferred to Retained Earnings	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Software	44.96	-	-	-	-	-	44.96	43.33	0.82	-	-	44.15	0.81	1.63
Total	44.96	-	-	-	-	-	44.96	43.33	0.82	-	-	44.15	0.81	1.63

Range of remaining period of amortisation of Intangible Assets is as below:

	0 to 5 years	6 to 10 years	22 to 27 years	Total WDV
Software	0.81	-	-	0.81

Silica Ceramica Private Limited
Notes to Financial Statements for the year ended March 31, 2020
All amounts are in Lakhs unless otherwise stated

2.01 Property, plant and equipment :

	Gross Carrying Amount							Depreciation					Net Block	
	As at April 1, 2018	Addition	Disposal	Acquisition through business combinations	Effect of Foreign currency exchange differences	Construction expenditures capitalised	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	Other adjustments - Transferred to Retained Earnings	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Own Assets:														
Land - Freehold	1,994.06	-	-	-	-	-	1,994.06	-	-	-	-	-	1,994.06	1,994.06
Buildings	2,642.76	0.39	-	-	-	-	2,643.15	322.74	118.23	-	-	440.97	2,202.18	2,320.02
Plant and Machinery	15,187.06	687.88	642.41	-	-	-	15,232.53	2,798.84	900.82	224.80	-	3,474.86	11,757.67	12,388.22
Railway siding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Office Equipment	34.44	0.55	-	-	-	-	34.99	20.70	4.75	-	-	25.45	9.54	13.74
Computers	22.18	5.18	-	-	-	-	27.36	12.98	6.26	-	-	19.24	8.12	9.20
Mines Development	-	0.76	-	-	-	-	0.76	-	0.02	-	-	0.02	0.74	-
Furniture & Fixtures	67.44	6.94	-	-	-	-	74.38	26.00	9.79	-	-	35.79	38.59	41.44
Vehicles	12.36	-	-	-	-	-	12.36	2.11	1.89	-	-	3.91	8.45	10.25
Live Stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Truck Mixers, Loaders and Truck Dumpers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total ....A	19,960.30	701.70	642.41	-	-	-	20,019.59	3,183.37	1,041.67	224.80	-	4,000.24	16,019.35	16,776.93
Right of Use Assets														
Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Plant and Machinery	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total ....B	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total .... A+B	19,960.30	701.70	642.41	-	-	-	20,019.59	3,183.37	1,041.67	224.80	-	4,009.24	16,019.25	16,776.93

Assets pledged as security :
All Tangible fixed assets both movable and immovable with a carrying amount of Rs.16019.35(as at March 31, 2018; Rs 16776.93) have been pledged to secure Term Loan Borrowings from Banks and for issue of Non Convertible Debentures of Rs. 7500.00. All the above assets have also been pledged as second pari-passu charge to secure cash credit and working capital loans.

2.02 Other Intangible Assets :

	Gross Carrying Amount							Depreciation					Net Block	
	As at April 1, 2018	Addition	Disposal	Acquisition through business combinations	Effect of Foreign currency exchange differences	Construction expenditures capitalised	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	Other adjustments - Transferred to Retained Earnings	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Software	43.41	1.55	-	-	-	-	44.96	43.28	0.05	-	-	43.33	1.63	0.13
Total	43.41	1.55	-	-	-	-	44.96	43.28	0.05	-	-	43.33	1.63	0.13

Silica Ceramica Private Limited
Notes to Financial Statements for the year ended March 31, 2020
All amounts are in Lakhs unless otherwise stated

2.03 Trade Receivables

	Non Current As at March 31, 2020	Non Current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	789.28	2,635.55
Doubtful				
	-	-	789.28	2,635.55
Allowance for doubtful debts (expected credit loss)				-
Total	-	-	789.28	2,635.55

Trade Receivable stated above include debts due by:	Non Current As at March 31, 2020	Non Current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Related Parties			789.28	2,635.55
Directors*	-	-	-	-
Other Officers of the Company*	-	-	-	-
Firm in which Director is a partner*	-	-	-	-
Private Company in which Director is a member	-	-	-	-
	-	-	789.28	2,635.55

*either severally or jointly.

The entity has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due. The Company does not have any history of overdue receivables or a history of credit loss and hence no credit loss allowance has been made by the company.

Age of receivables	As at March 31, 2020	As at March 31, 2019
Within the credit period	789.28	2,635.55
0-3 Months past due	-	-

The concentration of credit risk is high due to the fact that the entire sales of the company is to Prism Johnson Limited only.

2.04 Loans

	Non Current As at March 31, 2020	Non Current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Security Deposits				
Secured, considered good	-	-	-	-
Unsecured, considered good	225.24	474.57	30.70	10.34
Doubtful	-	-	-	-
	225.24	474.57	30.70	10.34
Less : Impairment of deposits	-	-	-	-
Total	225.24	474.57	30.70	10.34

Loans due by directors or other officers, etc.,	Non Current As at March 31, 2020	Non Current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
The above include				
Dues from Directors*	-	-	-	-
Dues from other officers of the Company*	-	-	-	-
Firm in which Director is a partner*	-	-	-	-
Private Company in which the director is a director or member				
	-	-	-	-
	-	-	-	-

*either severally or jointly.

2.05 Other financial assets

	Non Current As at March 31, 2020	Non Current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Accrued Interest On Deposits with Bank	-	-	0.50	3.80
Accrued interest on Power Deposits	-	-	19.63	24.25
Other Receivables				
- Representing refund of excess payments to Bank	-	-	22.96	-
Total	-	-	43.09	28.05

2.06 Deferred tax assets/ liabilities (net)

	As at March 31, 2020	As at March 31, 2019
Deductible temporary differences		
Carry forward Business Loss and depreciation	2,720.29	3,247.03
Expenses provided but allowable in Income Tax on payment	-	-
	2,720.29	3,247.03
Taxable temporary differences		
Difference between WDV of fixed assets as per books and Income taxes	1,928.96	2,455.70
	1,928.96	2,455.70
Net deferred tax asset/ (liabilities)	791.33	791.33

SANZGIRI & CO.
MUMBAI
CHARTERED ACCOUNTANTS

Silica Ceramica Private Limited
Notes to Financial Statements for the year ended March 31, 2020
All amounts are in Lakhs unless otherwise stated

Movement in deferred tax Account during the year is as follows:

	Opening balance	Recognised in profit or loss	Recognised directly in equity	Closing Balances
2019 - 20 :				
Deferred tax (liabilities)/assets in relation to :				
Carry forward Business Loss and depreciation	3,247.03	(526.74)	-	2,720.29
Difference between WDV of fixed assets as per books and Income taxes	(2,455.70)	526.74	-	(1,928.96)
Expenses provided but allowable in Income Tax on payment	-	-	-	-
	791.33	-	-	791.33
Tax losses				
Others	-	-	-	-
	-	-	-	-
	791.33	-	-	791.33
2018 - 19 :				
Deferred tax (liabilities)/assets in relation to :				
Carry forward Business Loss and depreciation	2,604.78	642.25	-	3,247.03
Difference between WDV of fixed assets as per books and Income taxes	(1,813.45)	(642.25)	-	(2,455.70)
Expenses provided but allowable in Income Tax on payment	-	-	-	-
Unused tax credits	-			
	791.33	(0.00)	-	791.33
Tax losses				
Others	-	-	-	-
	-	-	-	-
	791.33	(0.00)	-	791.33

The Analysis of Deferred tax Assets and Deferred tax Liabilities is as follows:

	As at March 31, 2020	As at March 31, 2019
Deferred Tax Assets		
Deferred Tax Assets to be recovered after more than 12 months	2,720.29	3,247.03
Deferred Tax Assets to be recovered within 12 months	-	-
	2,720.29	3,247.03
Deferred Tax Liabilities		
Deferred Tax Liabilities to be recovered after more than 12 months	1,928.96	2,455.70
Deferred Tax Liabilities to be recovered within 12 months	-	-
	1,928.96	2,455.70

Unrecognised deductible temporary differences, unused tax losses and unused tax credits :

	As at March 31, 2020	As at March 31, 2019
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following		
- unabsorbed depreciation	5,107.14	2,053.07
- business losses	16,135.72	14,100.23
	21,242.86	16,153.30

Expiry date of Unrecognised deductible temporary differences, unused tax losses and unused tax credits :

	2020	2019
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax		
- unabsorbed depreciation with no expiry dates	5,107.14	2,053.07
- business losses with expiry dates as follows		
8 Years	2,141.32	1,877.99
7 Years	1,572.17	2,548.11
6 Years	2,548.11	2,840.96
5 Years	2,840.96	1,753.76
4 Years	1,753.76	2,040.11
3 Years	2,040.11	1,553.97
2 Years	1,553.97	1,485.33
1 Years	1,485.33	-

Explanation of changes in the applicable tax rate(s) compared to the previous accounting period

	As at March 31, 2020	As at March 31, 2019
Applicable Tax rate considered for Defrred tax or Liability	26.00%	26.00%

The Applicable tax rates have been changed on the basis of using the tax rates that have been enacted as at the end of the each reporting period

Silica Ceramica Private Limited
Notes to Financial Statements for the year ended March 31, 2020
All amounts are in Lakhs unless otherwise stated

2.07 Other assets

	Non Current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Unsecured, Considered Doubtful				
Advances to other parties	-	-	12.24	12.24
Less: Provision for Doubtful advances	-	-	(12.24)	(12.24)
Unsecured, Considered Good				
Capital Advances	275.90	1.06	-	-
Advances other than Capital Advances				
Advances to other parties	-	-	82.86	89.61
Prepaid expenses	1.59	10.44	25.34	81.76
Subsidy Receivable from AP Govt.	33.24	33.24	2,178.10	2,178.10
MAT Entitlement	88.78	88.78	-	-
GST Receivables	-	-	12.51	-
Other Receivables - Staff Advances	-	-	0.18	5.39
Others	-	-	0.62	0.55
	399.51	133.52	2,299.61	2,355.41

Advances due by directors or other officers, etc.,	Non Current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
The above include				
Dues from Directors*	-	-	-	-
Dues from other officers of the Company*	-	-	-	-
Firm in which Director is a partner*	-	-	-	-
Private Company in which the director is a director or member	-	-	-	-
	-	-	-	-

*either severally or jointly.

2.08 Inventories

	As at March 31,	
	2020	2019
Raw materials	1,522.63	1,803.89
Goods-in-transit	1.89	0.33
Work-in-progress	319.18	398.04
Finished goods	2,256.71	1,799.91
Stores and spares	1,736.49	1,635.60
Total inventories at the lower of cost and net realisable value	5,836.90	5,637.77

Write-downs of inventories carried to net realisable value amounted to Rs. 155.73 (March 31, 2019 - Rs. 50.46). These were recognised as an expense during the year and included in 'changes in value of inventories of work-in-progress, stock-in-trade and finished goods' in statement of profit and loss

All Inventories with a carrying amount of Rs 5836.9(as at March 31, 2019: Rs.5637.77) have been pledged to secure borrowings. All the Inventories have been pledged as first paripasu charge for the Cash Credit and Working Capital Loan facilities and as second paripasu charge for Term loans.

2.09 Cash and Bank Balances

	As at March 31,	
	2020	2019
Cash and cash equivalents		
Balances with banks		
On current accounts	121.13	54.53
Cash on hand	4.93	5.02
	126.06	59.55
Bank balances other than above		
Deposits earmarked against Escrow Accounts with original maturity for more than 3 months but less than 12	8.92	65.50
	8.92	65.50

Balances with banks - Other earmarked accounts include Rs. 8.92(As at March 31, 2019 Rs. 65.5) which have restriction on withdrawal being margin monies

2.10 Current tax assets and liabilities

	As at March 31,	
	2020	2019
Current tax assets		
Tax refund receivable	56.81	49.35
Others representing taxes paid against demand	-	-
	56.81	49.35
Current tax liabilities		
	-	-

All amounts are in Lakhs unless otherwise stated

2.11 Share capital

	As at March 31, 2020	As at March 31, 2019
Authorised share capital :		
12,16,10,000(March 31, 2019: 8,66,10,000) equity shares of Rs. 10/- each	12,161.00	8,661.00
	12,161.00	8,661.00
Issued and subscribed capital comprises :		
121,608,283(March 31, 2019: 8,66,10,000) equity shares of Rs. 10/- each (fully paid up)	12,160.83	8,660.83
Total issued, subscribed and fully paid-up share capital	12,160.83	8,660.83

a. Reconciliation of shares outstanding as at the beginning and at the end of the reporting period:

Equity shares	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	8,66,08,283	8,660.83	6,16,08,283	6,160.83
Issued During the Year	3,50,00,000	3,500.00	2,50,00,000	2,500.00
Outstanding at the end of the period	12,16,08,283	12,160.83	8,66,08,283	8,660.83

b. Rights, preference and restrictions attached to 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 per share. Each holder of equity shares is entitled to one vote per share held. The share holders are entitled to dividend declared on Proportionate basis .On liquidation of the company, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

c. Details of share holders holding more than 5% shares in the company

	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% of holding	No. of Shares	% of holding
Equity shares of Rs. 10 each fully paid				
Name of the Shareholder				
Prism Johnson Limited (Holding Company) (previously known as Prism Cement Limited)	12,16,08,282	100.00%	8,65,45,782	99.93%
Mr. G. Veerabhadra Rao jointly with Mr. D. Prabhakara Raju and Mr. BVS Sai Raju (As Trustees of Silica Share Holders Trust)	-	0.00%	62,500	0.07%
Mr. Sunil Kumar Sethi (Nominee of Prism Johnson Limited)	1	0.00%	1	0.00%

2.12 Other equity

	As at March 31, 2020	As at March 31, 2019
Retained earnings	(23,311.14)	(19,827.21)
Other Equity Representing Fair value of the Financial Guarantee provided by parent Company	478.07	478.07
Securities Premium Reserve	15,084.27	15,115.52
	(7,748.80)	(4,233.62)

Description of Reserves

Retained earnings

This represent the surplus/ (deficit) of the profit or loss. These amounts can be distributed by the Company as dividends to its equity shareholders considering the requirements of the Companies Act, 2013. The amounts reported above are distributable in entirety.

Other Equity Representing Fair value of the Financial Guarantee provided by parent Company

The above represents reserve representing fair value of financial guarantee issued against borrowings by the company for which the lender has charged Lower interest rates corresponding to the value of corporate Guarantee. The amounts reported above are not distributable as dividends

Securities Premium Reserve

Where Companies issued shares at a premium, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a "securities premium reserve" as per the provisions of applicable Companies Act. The transaction costs on issue of shares are debited to the said reserve Account

	As at March 31, 2020	As at March 31, 2019
Retained earnings		
Balance at beginning of year	(19,827.21)	(16,735.57)
Profit for the year	(3,479.05)	(3,090.26)
Items of other comprehensive income recognised directly in retained earnings :	(4.88)	(1.38)
Balance as at the end of the year	(23,311.14)	(19,827.21)
Other Equity Representing Fair value of the Financial Guarantee provided by parent Company		
Balance as at the beginning of the year	478.07	478.07
Movement during the year	-	-
Balance as at the end of the year	478.07	478.07
Securities Premium Reserve		
Balance as at the beginning of the year	15,115.52	15,138.02
Additions during the Year	-	-
Less: Share issue expenses written off	31.25	22.50
Balance as at the end of the year	15,084.27	15,115.52
Total other equity	(7,748.80)	(4,233.62)

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Silica Ceramica Private Limited
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2.13 Borrowings

	Non Current As at March 31, 2020	Non Current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Secured				
Bonds / debentures	-	7,492.84	-	-
Term loans				
from banks	10,531.53	5,598.72	-	-
from Financial Institutions	2,485.70	-		
Unsecured				
Bonds / debentures	4,993.90	4,990.21	-	-
Secured				
Loans repayable on demand from Banks				
Working Capital Demand Loans	-	-	1,250.00	1,500.00
Bank overdrafts and cash credits	-	-	494.99	1,020.06
	18,011.13	18,081.77	1,744.99	2,520.06
Less : Current maturities of long-term debt (included in Note 2.15)	1,888.35	9,974.90		
Total	16,122.78	8,106.87		

(a) Debentures (Unsecured and Unlisted) :

i. 500 debentures allotted on 14-09-2018 aggregating to Rs.5000.00 which carry interest rate of 10.65% p.a payable yearly. These debentures are redeemable at the end of 36 months from the date of allotment. The Debentures have a Put/Call Option at the end of 2 Years from the date of Allotment.

These debentures are secured by way of Corporate Guarantee of Prism Johnson Limited, the Holding Company.

(b) Nature of Security and terms of repayment for secured borrowings (other than debentures):

Nature of Security	Terms of Repayment	As at March 31, 2020	As at March 31, 2019
i. Term loan from ICICI Bank amounting to Rs 7,500 is secured by a First paripasu Charge Over Entire (movable and immovable) fixed Assets of the Borrower both present and Future, corporate Guarantee of Prism Johnson Limited also provided.	Repayable in 12 equal quarterly instalments. The first installment will fall due on the last day of the 18th month from the date of first draw-down(16th March,2017) Interest rate is 9.30% p.a	624.58	5,598.72
ii Term loan from ICICI Bank amounting to Rs.7,500 is secured by a First paripasu Charge Over Entire (movable and immovable) fixed Assets of the Borrower both present and Future, corporate Guarantee of Prism Johnson Limited also provided.	Repayable on door to door tenure in 4.75 years, Including moratorium of two quarters. Repayment to be done in 17 structured quarterly instalments starting from 31st Dec 2020. Interest rate is 9.32% p.a.	7,429.42	-
iii Term loan from ICICI Bank amounting to Rs 2,500 is secured by a First paripasu Charge Over Entire (movable and immovable) fixed Assets of the Borrower both present and Future, corporate Guarantee of Prism Johnson Limited also provided.	Repayable on door to door tenure in 3.00 years, Including moratorium of two quarters Repayment to be done in 10 equal quarterly instalments starting from 31st Dec 2020 Interest rate is 9.12% p.a	2,477.53	-
iv. Term loan from Aditya Birla Finance Limited amounting to Rs 2,500 is secured by a First paripasu Charge Over Entire (movable and immovable) fixed Assets of the Borrower both present and Future, corporate Guarantee of Prism Johnson Limited also provided.	Repayable on door to door tenure in 5 years, Including moratorium of one quarters. Repayment to be done in 20 structured quarterly instalments starting from 30th June 2020.Interest rate is 9.63% p.a. Lendor has an put option at the end of 3 years from the date of disbursement	2,485.70	-
v. Cash Credit facility from Axis Bank having a limit of Rs. 2,000 is Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and Second pari passu charge on the assets by way of mortgage and hypothecation on entire movable and immovable fixed assets of the company, present and future, along with other banks in multiple banking arrangements and corporate guarantee of Prism Johnson Limited	Repayable on demand with an Interest Rate of 11.15% p.a	10.57	105.77
vi Working Capital Demand Loan from Axis Bank as a sub limit to CC Facility mentioned above with an amount of Rs. 1,500 is Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and Second pari passu charge on the assets by way of mortgage and hypothecation on entire movable and immovable fixed assets of the company, present and future, along with other banks in multiple banking arrangements and corporate guarantee of Prism Johnson Limited	Repayable on demand with an Interest Rate of 10.15% p.a	1,000.00	1,500.00
vii Cash Credit facility from Yes Bank having a limit of Rs. 1,000 is Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and Second pari passu charge on the assets by way of mortgage and hypothecation on entire movable and immovable fixed assets of the company, present and future, along with other banks in multiple banking arrangements and corporate guarantee of Prism Johnson Limited	Repayable on demand with an Interest Rate of 12.00% p.a	-	229.27

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viii Working Capital Demand Loan from Yes Bank as a sub limit to CC Facility is Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and Second pari passu charge on the assets by way of mortgage and hypothecation on entire movable and immovable fixed assets of the company, present and future, along with other banks in multiple banking arrangements and corporate guarantee of Prism Johnson Limited.	Repayable on demand with an Interest Rate of 12.50%	-	-
ix Working Capital Demand Loan from ICICI Bank as a sub limit to CC Facility with an amount of Rs. 1,000 is Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and Second pari passu charge on the assets by way of mortgage and hypothecation on entire movable and immovable fixed assets of the company, present and future, along with other banks in multiple banking arrangements and corporate guarantee of Prism Johnson Limited.	Repayable on demand with an Interest Rate of 10.10%	250.00	-
x Cash Credit facility from ICICI Bank having a limit of Rs 1,000 is Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and Second pari passu charge on the assets by way of mortgage and hypothecation on entire movable and immovable fixed assets of the company, present and future, along with other banks in multiple banking arrangements and corporate guarantee of Prism Johnson Limited.	Repayable on demand with an Interest Rate of 10.55% p.a.	484.42	485.07

(c) Details of long-term borrowings guaranteed by Prism Johnson Limited (Holding Company)

Particulars	As at March 31, 2020	As at March 31, 2019
Debentures (Secured)		
Principal	-	7,500.00
Interest	-	250.63
Debentures (Unsecured)		
Principal	5,000.00	5,000.00
Interest	288.86	290.32
Term loans from bank (Secured)		
Principal	10,625.00	5,625.00
Interest	2.70	1.53
Term loans from Financial Institution (Secured)		
Principal	2,500.00	-
Interest	-	-

The carrying amount of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed below :

(d) Assets pledged as security:

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Financial assets		
First charge		
Transferred receivables	-	-
Floating charge		
Cash and cash equivalents	126.06	59.55
Receivables	789.28	2,635.55
Non - financial assets		
First charge		
Inventories	5,836.90	5,637.27
	6,752.24	8,332.87
Non - current		
First charge		
Total Assets	15,480.05	16,314.56
	15,480.05	16,314.56
Total assets pledged as security	22,232.29	24,647.43

(e) Undrawn borrowing Facilities:

	As at March 31, 2020	As at March 31, 2019
Floating rate:		
Expiring within one year- Axis Bank	989.43	194.28
Expiring within one year- Yes Bank	1,000.00	770.73
Expiring within one year- ICICI Bank	515.58	514.93
Expiring beyond one year	-	-
Fixed rate:		
Expiring within one year	-	-
Expiring beyond one year	-	-
	2,505.01	1,479.94

Silica Ceramica Private Limited
Notes to Financial Statements for the year ended March 31, 2020
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2.14 Trade payables

	Non Current As at March 31, 2020	Non Current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Total outstanding dues of Micro Enterprises & Small Enterprises	-	-	100.77	311.32
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	-	-	1,175.28	2,145.30
	-	-	1,276.05	2,456.62

2.15 Lease liabilities

	Non Current As at March 31, 2020	Non Current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Lease Liabilities - Land	18.20	-	7.12	-
Lease Liabilities - Machinery	69.06	-	97.87	-
	87.26	-	104.99	-

2.16 Other financial liabilities

	Non Current As at March 31, 2020	Non Current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Current maturities of long-term debt	-	-	1,888.35	9,974.90
Interest accrued but not due on loans	-	-	291.56	542.49
Security deposits from customers / others	-	-	0.70	5.29
Liability for expenses	-	-	184.99	253.76
Trade Payable-Capital Goods/Works	-	-	15.00	127.61
	-	-	2,380.60	10,904.05
Details of Current Maturity of Long Term Debt :				
Secured Loan				
Term Loan from Banks			1,393.10	2,482.06
Term Loan from Financial Institution			495.25	-
Non-Convertible Debentures			-	7,492.84
			1,888.35	9,974.90

2.17 Provisions

	Non Current As at March 31, 2020	Non Current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Employee benefits				
Provision for Gratuity	60.26	51.91	10.76	6.12
Provision for Bonus	-	-	23.98	24.29
Provision for Leave Encashment	27.17	18.47	14.03	3.76
	87.43	70.38	48.77	34.17

2.18 Other liabilities

	Non Current As at March 31, 2020	Non Current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Advance from customers	-	-	2.63	2.33
Statutory liabilities	-	-	24.02	35.44
	-	-	26.65	37.77

Silica Ceramica Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2020

All amounts are in Lakhs unless otherwise stated

3.01 Revenue from operations

	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations		
Sale of products	10,306.74	12,785.05
Other operating revenue		
Scrap Sales	51.42	120.61
Revenue from operations (Gross)	10,358.16	12,905.66

3.02 Other Income

	Year ended March 31, 2020	Year ended March 31, 2019
Interest Income on		
Interest income earned on financial assets that are not designated as fair value through profit or loss .		
Bank Deposits (at amortized cost)	46.98	4.22
Others (Interest on Deposits)	24.18	25.05
Other non - operating income		
Insurance Claim	-	27.54
Rent Received	4.38	0.48
Miscellaneous Income incl. sundry creditors Written back	10.09	2.01
Other gains and losses		
Profit on Sale of property, plant and equipment (net)	3.39	31.60
Profit on Disposal of Right of Use Lease Assets (net)	4.46	-
	93.48	90.90

3.03 Cost of materials consumed

	Year ended March 31, 2020	Year ended March 31, 2019
Raw Materials	2,301.83	3,498.19
Minerals	236.18	269.79
Soluble Salts, Stains & Colors	250.21	286.50
Packing Material	684.36	743.14
	3,472.58	4,797.62

3.04 Purchases of Stock-in-trade

	Year ended March 31, 2020	Year ended March 31, 2019
Tiles	-	-
Others	24.68	27.18
	24.68	27.18

3.05 (Increase) /decrease in Inventories

	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the end of the year		
Work - in - progress	319.18	398.04
Finished goods	2,256.71	1,799.91
	2,575.89	2,197.95
Inventories at the beginning of the year		
Work - in - progress	398.04	281.47
Finished goods	1,799.91	1,358.90
Adjustment of excise duty on stock	-	-
	2,197.95	1,640.37
	(377.94)	(557.58)

3.06 Manufacturing expenses

	Year ended March 31, 2020	Year ended March 31, 2019
Stores and Spares consumed	882.07	1,042.63
Power and fuel consumed	3,957.59	4,786.55
Repairs to plant and machinery including Hire Expenses	167.57	202.14
	5,007.23	6,031.32

3.07 Employee Benefits Expense

	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	1,417.34	1,466.29
Contribution to provident and other fund	57.18	57.88
Gratuity	13.16	11.60
Leave encashment	26.30	9.81
Staff welfare expenses	74.15	55.74
	1,588.13	1,601.32

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3.08 Finance Costs

	Year ended March 31, 2020	Year ended March 31, 2019
Interest and Finance charges on financial liabilities not a FVTPL		
Interest on Overdraft / Cash Credit	292.48	386.60
Interest on Term Loan	796.32	692.97
Interest on Debentures	1,060.82	1,069.60
Interest on Bills Payable	-	52.95
Other interest expenses paid to Parent Company	72.42	107.71
Other interest expenses	3.48	5.06
Corporate Guarantee Expenses	70.81	94.41
Interest Expenses on Lease Liabilities	52.05	-
Other borrowing costs		
Processing Fees	27.60	10.51
Commission on Corporate Guarantee	94.90	33.42
Other Financial Charges	12.49	17.16
	2,483.37	2,470.39

3.09 Depreciation and amortization expense

	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation of property, plant and equipment	1,036.73	1,041.67
Depreciation on Right of Use Leasehold Assets	228.26	-
Amortization of Intangible assets	0.82	0.05
	1,265.81	1,041.72

3.10 Other Expenses

	Year ended March 31, 2020	Year ended March 31, 2019
Rent	5.31	119.91
Repairs to Building	3.88	7.30
Repairs to Others	0.15	2.06
Insurance	26.90	31.37
Rates & taxes	47.42	42.44
Travel and Conveyance	57.57	54.14
Legal and Professional Charges	223.83	219.27
Foreign Exchange loss (net)	24.78	6.40
Loss on Sale of Assets	3.21	105.30
Other Expenses	73.65	77.62
Bank Charges	0.13	9.04
	466.83	674.85

Payment to Auditors

	Year ended March 31, 2020	Year ended March 31, 2019
As auditor:		
Statutory Audit fee	5.75	4.75
Tax Audit Fee	0.75	0.75
GST Audit Fee	1.00	1.00
In other Capacity:		
Other services (certification fees)	0.94	0.64
Reimbursement of Expenses	0.80	0.16
	9.24	7.30

3.11 Tax expenses

	Year ended March 31, 2020	Year ended March 31, 2019
(a) Deferred tax		
In respect of the current year	-	-
Deferred tax reclassified from equity to profit or loss	-	-
Total tax expense recognised in the current year	-	-
(b) Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	21,242.86	16,153.30
Potential tax benefit @ 26% P.Y. 26%	5,523.14	4,199.86

The reduction in deferred tax assets(net) is on account of change in the tax rates that have been enacted as at the end of the each reporting period

Silica Ceramics Private Limited
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4.01 Earnings Per Share (EPS)	Year ended March 31, 2020	Year ended March 31, 2019
Basic earnings per share :		
From continuing operations attributable to equity holders of the company	(3.39)	(4.99)
From discontinued operations attributable to equity holders of the company	-	-
Total basic earnings per share	(3.39)	(4.99)
Diluted earnings per share :		
From continuing operations attributable to equity holders of the company	(3.39)	(4.99)
From discontinued operations attributable to equity holders of the company	-	-
Total diluted earnings per share attributable to equity holders of the company	(3.39)	(4.99)
Reconciliation of earnings used in calculating earnings per share :		
Basic earnings per share		
Profit attributable to equity holders of the company used in calculating basic earnings per share :		
From continuing operations	(3,479.05)	(3,090.26)
From discontinued operations	-	-
	(3,479.05)	(3,090.26)
Diluted earnings per share		
Profit from continuing operations attributable to equity holders of the company :		
Used in calculating basic earnings per share	(3,479.05)	(3,090.26)
Used in calculating diluted earnings per share	(3,479.05)	(3,090.26)
Profit from discontinued operations	-	-
Profit used in calculating diluted earnings per share	(3,479.05)	(3,090.26)
Weighted average number of shares used as the denominator :		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	10,27,69,485	6,18,82,256
Adjustments for calculation of diluted earnings per share :	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating basic earnings per share	10,27,69,485	6,18,82,256

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4.02 Capital management

Risk management

The group's objectives when managing capital are to

(i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

(ii) Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company has raised debt by way of term loans during the year. Part of the proceeds of the Term loans have been used to repay Secured non convertible Debentures amounting to Rs. 75 Crores during the year. The Company has also received Capital Infusion of Rs. 35 Crores during the year from its Parent Company. The Parent Company has increased its stake to 100% of Issued Share Capital during the year.

Debt Covenants;

Under the terms of the major borrowing facilities, the group is required to comply with the following financial covenants:

(i) Security Cover to not go below 1.1 times, at any time, during the currency of the issued Debenture/Term Loans of the Company.

(ii) Net-Worth to not fall below Rs. 30 Crores.

The Company has complied with these covenants as at the reporting period. As at 31 March 2020, Net-Worth of the company is Rs. 36.21 Crores

The Company has a principal repayment obligation of Rs.1888.35 Lakhs of term loans during the year ended 31st March 2021. The Company shall meet the said obligation through a combination of Internal Accruals and support from Parent Company.

4.03 Contingent liabilities and contingent assets

		As at March 31, 2020	As at March 31, 2019
a)	**Contingent liabilities**		
	Claims against the Company not acknowledged as debts		
	i. Matters in respect of Income Tax under appeal/ revision (See note below)	80.92	80.92

Note

Income tax demand comprise demand from the Indian tax authorities for payment of additional tax of Rs. 80.92 (31 March 2018: Rs. 80.92), upon completion of their tax review for the financial year 2013-14. The tax demands are mainly on account of taxability of difference amount of Share Premium amount Received and net book value of shares of company. The matter is pending before the Commissioner of Income tax (Appeals).

The company is contesting the demands and the management believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.

		2020	2019
	Others		
	i. Guarantees given by the Company's Bankers and counter guaranteed by the Company	690.56	765.80
	ii. Letter of Credits for Purchases given by company	160.08	272.02
b)	**Contingent assets**	-	-

4.04 Commitments

	As at March 31, 2020	As at March 31, 2019
A. Capital Commitments- Property, plant and Equipment	6.34	29.03

B. Capital Commitment on Account of Solar Power Project :

The Company has entered a letter of Intent with M/S Cleantech Solar Energy (India) Pvt Ltd for setting a Captive Solar Power Project(Project) within the factory premises for the development of upto 2 .5 MWp Solar Power Project. The Company expects the actual project to be of 1.5 MWp in the initial phase. The said Project envisages setting up a Special purpose vehicle (SPV) wherein the Company shall invest Rs. 32 lakhs per MWp as equity for a 26% stake within an option to increase upto 100% if so required to comply with the local regulations. The envisaged initial capital commitments for the project other than equity as stated above is estimated at Rs. 14.66 lakhs. The total project cost for the SPV is estimated at Rs. 395 lakhs per MWp to be funded with a debt equity ratio of 7:3 by the SPV. As at March 31, 2020, the Company is yet to execute any definitive agreements including Power Consumption Agreement, Share Subscription cum Shareholders Agreement as required for setting up the project and the same is expected to be executed in the forthcoming year. The agreement is expected to be executed for a period of 25 Years

C. Others:

1. Company has commitment to sell its entire production to Prism Johnson Limited on mutually agreed price.
2. The Company has a Minimum Guaranteed Obligation to Purchase 80% of Contractual Obligation of 50,000 Scm per Day of Natural Gas from ONGC. However, the Contractual Obligation will be defined from time to time by ONGC based on the availability of Natural Gas. The present Contractual Obligation is at 11,000 Scm per Day as on March 2020, on account of reduced Gas availability from the vendor which is expected to be temporary.

4.05 Amount of expenditure incurred on corporate social responsibility activities during the year: Rs.0 (Previous Year: Rs.0)

4.06 The Company has debited transaction costs of Rs.31.25 (Previous Year Rs.22.5) related to the issue of equity shares to Securities Premium Reserve under Note 2.12 of 'Other Equity'.

Silica Ceramica Private Limited
Notes to Financial Statements for the year ended March 31, 2020
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4.07 Segment Information

The Company has only one operating segment viz. manufature of Ceramic Tiles. The disclosure requirement IND AS 108 as applicable to a single reportable segment are as follows:

1. The Company has a single Customer viz. Prism Johnson limited and 100% of its sales are done to said Customer
2. Information about products and services
   The Company engaged in the manufacturing of Floor Tiles
3. The operations of the Company are conducted in a single geographical area i.e. India

4.08 Related party disclosures

Names of related parties and related party relationship-where control exists

Holding company	Prism Johnson Limited
Ultimate holding company	Prism Johnson Limited
Subsidiaries	NA

Related parties with whom transactions have taken place during the year

Fellow subsidiaries	Sentini Cermica Private limited
Associates	NA
Jointly controlled entity	NA
Key management personnel	Mr. Sunil Kumar Sethi from 1 January 2020, Mr. S P Rajendran till 11 December 2019
Relatives of key management personnel	
Company over which Co-Venturer has management control	NA

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

a. Particulars of transactions with the related parties for the year 2019-20:

Sno	Nature of Transactions	Holding Company	Key Management Personnel (KMP)	Relative of KMP	Fellow subsidiaries	Total
1	**Sale of Finished Goods**					
	2019-2020	12,141.02	-	-	-	12,141.02
	2018-2019	15,087.06	-	-	-	15,087.06
2	**Sale of RM & Corrugated Box & Other**					
	2019-2020	20.85	-	-	6.09	26.94
	2018-2019	25.11	-	-	-	25.11
3	**Sale of Assets**					
	2019-2020	-	-	-	-	-
	2018-2019	379.87	-	-	-	379.87
4	**Purchase of Raw material**					
	2019-2020	351.44	-	-	-	351.44
	2018-2019	534.09	-	-	-	534.09
5	**Purchase of Stores**					
	2019-2020	43.17	-	-	-	43.17
	2018-2019	106.64	-	-	-	106.64
6	**Services Reimbursed (Sap Maint)**					
	2019-2020	21.38	-	-	-	21.38
	2018-2019	23.24	-	-	-	23.24
7	**Rent Received**					
	2019-2020	5.16	-	-	-	5.16
	2018-2019	0.57	-	-	-	0.57
8	**Reimbursment of Expenses Dr**					
	2019-2020	2.23	-	-	-	2.23
	2018-2019	1.94	-	-	-	1.94
9	**Purchase from Sentini Cermica Pvt Ltd**					
	2019-2020	-	-	-	1.26	1.26
	2018-2019	-	-	-	0.18	0.18
10	**Interest Paid**					
	2019-2020	72.42	-	-	-	72.42
	2018-2019	107.70	-	-	-	107.70

Silica Ceramica Private Limited
Notes to Financial Statements for the year ended March 31, 2020
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Related party transactions Contd.,

Sno	Nature of Transactions	Holding Company	Key Management Personnel (KMP)	Relative of KMP	Fellow subsidiaries	Total
11	Reimbursment of Expenses Cr					
	2019-2020	193.74	-	-	-	193.74
	2018-2019	171.46	-	-	-	171.46
12	Corporate Guarantee Expenses					
	2019-2020	70.81	-	-	-	70.81
	2018-2019	94.41	-	-	-	94.41
13	Commission on Corporate Guarantee					
	2019-2020	94.90	-	-	-	94.90
	2018-2019	39.44	-	-	-	39.44
14	Expenses Jobwork					
	2019-2020	0.37	-	-	-	0.37
	2018-2019	0.41	-	-	-	0.41
15	Equity Contribution					
	i) Share Capital					
	2019-2020	3,500.00	-	-	-	3,500.00
	2018-2019	2,500.00	-	-	-	2,500.00
16	Remuneration to Key Management Personnel*					
	2019-2020	-	62.10	-	-	62.10
	2018-2019	-	27.74	-	-	27.74

*Note :
1. Short Term Employee Benefits included in the above Rs. 2.49 and Previous Year Rs. 1.15
2. As the post-employment benefits is provided on an actuarial basis for the Company as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above.

b. Details of Outstandings with the related parties as at March 31, 2020:

	Net Balance as at 31st March'2020					
	Debtors	787.58	-	-	1.70	789.28
	Creditors	163.63	-	-	-	163.63
	Other Equity Representing Fair value of the Financial Guarantee	478.07	-	-	-	478.07
	Corporate Guarantee Expenses included in Prepaid Expenses	0.84	-	-	-	0.84
	Net Balance as at 31st March'2019					
	Debtors	2,635.55	-	-	-	2,635.55
	Creditors	68.10	-	-	-	68.10
	Other Equity Representing Fair value of the Financial Guarantee	478.07	-	-	-	478.07
	Corporate Guarantee Expenses included in Prepaid Expenses	166.06	-	-	-	166.06

c. Details of Borrowings including Interest Accrued covered by Corporate Guarantee by Prism Johnson Limited :

	Net Balance as at 31st March'2020					
	Borrowings	20,161.55	-	-	-	20,161.55

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4.09 Value of imports calculated on CIF basis

	Year ended March 31, 2020	Year ended March 31, 2019
Raw materials	165.65	150.54
Stores and spare parts	302.10	392.55
Capital goods	48.74	661.81
	516.49	1,204.90

4.10 Expenditure in foreign currency (accrual basis)

	Year ended March 31, 2020	Year ended March 31, 2019
Professional fees	-	8.25
	-	8.25

4.11 Imported and indigenous raw materials, components and spare parts consumed

	Year ended March 31,			
	2020		2019	
	% of total consumption	Amount	% of total consumption	Amount
Raw Materials (includes Stock-In-trade)				
Imported	8.60%	300.76	6.87%	331.23
Indigenously obtained	91.40%	3,196.50	93.13%	4,493.57
	100.00%	3,497.26	100.00%	4,824.80
Spare parts				
Imported	33.47%	295.19	38.05%	396.69
Indigenously obtained	66.53%	586.88	61.95%	645.94
	100.00%	882.07	100.00%	1,042.63

4.12 Employee Benefit Plans

a) Defined Contribution Plan

The company's contribution to provident fund and Labour welfare fund is determined under the relevant schemes and / or statute and charged to the Statement of Profit and Loss.

The company's contribution to Provident Fund, ESI and labour welfare fund for the year 2019-2020 aggregating to Rs.57.18 (2018-2019: Rs.57.88) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

b) Defined Benefit Plans

Gratuity

The company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the company. In case of death while in service, the gratuity is payable irrespective of vesting.

Leave Encashment

The Company has a policy of leave entitlement for employees wherein employees are eligible to encash or avail paid leave during the service in the Company.
Expenses debited to the Profit and loss Account during the year: Rs. 26.3 Lakhs (P.Y. Rs. 9.81 Lakhs)

Risk exposure to defined benefit plans

The plans typically expose the company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Principal assumptions of Gratuity

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particular	As at March 31, 2020	As at March 31, 2019
1. Discount rate	6.59%	7.48%
2. Salary escalation	5.00%	5.00%
3. Rate of Employee Turnover	10.00%	10.00%
4. Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

Balances of defined benefit plan

Particular	As at March 31, 2020	As at March 31, 2019
Present value of funded defined benefit obligation	71.02	58.03
Fair value of plan assets	-	-
Net liability arising from gratuity	71.02	58.03

All amounts are in Lakhs unless otherwise stated

Expenses recognised for defined benefit plan and movement of plan assets and liabilities

Following is the amount recognised in statement of profit and loss, other comprehensive income, movement in defined benefit liability (i.e. gratuity) and movement in plan assets:

Particulars	As at March 31, 2020	As at March 31, 2019
A. Components of expense recognised in the Statement of Profit and Loss		
Current service cost	8.82	8.05
Past service cost and (gain)/loss from settlements	-	-
Net interest expenses	4.34	3.55
Total (A)	13.16	11.60
B. Components of defined benefit costs recognised in other Comprehensive Income		
Remeasurement on the net defined benefit liability:		
-Actuarial gains and losses arising for the obligation period	4.88	1.38
-Adjustments for restrictions on the defined benefit asset	-	-
Total (B)	4.88	1.38
C. Movements in the present value of the defined benefit obligation		
Opening defined benefit obligation	58.03	45.58
Current service cost	8.82	8.05
Interest cost	4.34	3.55
Remeasurement (gains)/losses:		
-Actuarial gains and losses arising for the obligation period	4.88	1.38
Liabilities assumed/ (settled) in a business combination		
Benefits paid	(5.05)	(0.53)
Closing defined benefit obligation (C)	71.02	58.03
D. Movements in the fair value of the plan assets		
Opening fair value of plan assets	-	-
Remeasurement gain (loss):	-	-
-Return on plan assets (excluding amounts included in net interest expense)		
Benefits paid	-	-
Closing fair value of plan assets	-	-

Category wise plan assets

The Company does not have any plan assets.

Maturity Analysis of Projected Benefit Obligation: From the Employer

Particulars	As at March 31, 2020	As at March 31, 2019
1st following Year	10.76	6.12
2nd Following Year	9.29	8.13
3rd Following Year	6.44	8.89
4th Following Year	7.77	5.34
5th Following Year	6.57	7.02
Sum of Years 6 to 10	29.36	23.99
Sum of Years 11 and above	41.52	37.75

Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below 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.

Increase/ (decrease) in defined benefit liability	As at March 31, 2020	As at March 31, 2019
Projected Benefit Obligation on Current Assumptions	71.02	58.03
Delta Effect of +1% Change in Rate of Discounting	(3.71)	(2.98)
Delta Effect of -1% Change in Rate of Discounting	4.17	3.33
Delta Effect of +1% Change in Rate of Salary Increase	4.19	3.38
Delta Effect of -1% Change in Rate of Salary Increase	(3.80)	(3.07)
Delta Effect of +1% Change in Rate of Employee Turnover	0.31	0.42
Delta Effect of -1% Change in Rate of Employee Turnover	(0.36)	(0.47)

The sensitivity analysis presented above may not be representative of the actual change in the defined 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 defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

The weighted average duration of the gratuity plan is 7 years (2018-2019: 7 years).

4.13 Financial Instruments and Risk Review

Financial risk management objectives

The Company's Finance function supported by its parent's treasury operations monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Credit risk management:

The Company's primary exposure on account of credit risk is to its parent Company in the form of Trade receivables. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Collateral held as security and other credit enhancements

The Company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

The average credit period on sales of goods is 49 days. Interest Rate is charged for delay in receipt of payments on trade receivables.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experienced and adjusted for forward- looking information. The Company does not have a history of credit losses and therefore no provisions have been made under the provision matrix.

Table showing age of gross trade receivables and movement in expected credit loss allowance:

Age of receivables	31-Mar-20	31-Mar-19
Within the credit period	789.28	2,635.55
1-90 days past due	-	-
91-180 days past due	-	-
181-270 days past due	-	-
More than 270 days past due	-	-
Total	789.28	2,635.55

Movement in the expected credit loss allowance	31-Mar-20	31-Mar-19
Balance at beginning of the year	-	-
Net movement in expected credit loss allowance on trade receivables calculated	-	-
Total	-	-

Liquidity risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company believes that the working capital based on projections and support from its Parent Company will be sufficient to meet its current requirements. The contractual maturities of all liabilities except for employee benefits scheme and bank loans are within 1 year. The impact of unfunded Employee benefit schemes on liquidity is expected to be managed from cash generated from operations. Accordingly, no liquidity risk is perceived.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities :

As on March 31, 2020	< 1 Year	1 - 5 year	> 5 year	Total
Non-Current borrowings	1,888.35	16,122.78	-	18,011.13
Current borrowings	1,744.99	-	-	1,744.99

As on March 31, 2019	< 1 Year	1 - 5 year	> 5 year	Total
Non-Current borrowings	9,974.90	8,106.87	-	18,081.77
Current borrowings	2,520.06	-	-	2,520.06

The Company has a Principal Repayment of Rs.18.88 Crores of Term Loans during the next year. The Company shall meet the said obligation through a combination of Internal Accruals and support from Parent Company.

Market Risks

The Company expose itself primarily to the financial risks of changes in foreign currency exchange rates and interest rates . The Company has not entered into derivative financial instruments to manage its exposure to foreign currency risk including forward foreign exchange contracts.

Foreign exchange risk

Exposure to foreign exchange risk:

The Company is exposed to foreign exchange risks arising primarily from imports from vendors of the Company which are denominated in US Dollars.

Foreign exchange risk management:

To manage the foreign exchange risk from exposure to vendors, the Company monitors the outstanding in Foreign exchange, according to the Group's foreign exchange risk policy. The parent's Corporate Treasury is responsible for managing and monitoring the exposure on account of forward foreign exchange contracts.

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars of un-hedged foreign currency asset / liability as at Balance Sheet date

Currency	Nature	As at March 31, 2020		As at March 31, 2019	
		Amount in Foreign Currency	Amount (₹) Lacs	Amount in Foreign Currency	Amount (₹) Lacs
USD	Liability *	2,53,703.80	191.96	6,68,976.00	462.63
USD	Letter of credit	-	-	17,200.00	11.89
	Total	2,53,703.80	191.96	6,86,176.00	474.52

* Trade payable

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following

Currency	Impact on profit after Tax and Equity			
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
	1 % increase	1 % increase	1 % decrease	1 % decrease
USD	(1.42)	(3.51)	1.42	3.51
Total	**(1.42)**	**(3.51)**	**1.42**	**3.51**

Interest rate risk

Exposure to interest rate risk:

The Company is exposed to interest rate risk because the Company borrow funds at both fixed and floating interest rates.

Interest rate risk management:

The interest rate risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The Company has Debentures which are fixed rate borrowings. All borrowings from Banks and Financial Institution are at floating interest rates.

Particulars	31-Mar-20	31-Mar-19
Variable rate borrowings	14,762.22	8,118.78
Fixed rate borrowings	4,993.90	12,483.05

Interest rate risk sensitivity:

The sensitivity analyses below have been determined based on the exposure to interest rates. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, following is the impact on profit. A positive is increase in profit and negative is decrease in profit.

Particular	For year ended March 31, 2020	
	100 basis points increase	100 basis points decrease
Impact on profit	147.62	(147.62)

* Assuming all other variables as constant

M. P. SANZGIRI & CO. MUMBAI F. R. NO. 118293W CHARTERED ACCOUNTANTS

Silica Ceramics Private Limited
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4.14 **Disclosure in Terms of IND AS 115 "Revenue from Contracts with Customers":**

The disclosure in terms of the standard are as follows:

1 **Contracts with Customers:**

a. Revenue recognised from contracts with customers: Rs.10358.16 Lakhs (Previous Year Rs. 12905.66 Lakhs)

b. Impairment losses recognised on any receivables or contract assets from contracts with customers: Rs. Nil (Previous Year Rs. Nil)

2 **Disaggregation of Revenue:**

The Company has commitments to sell its entire production to its Parent Company. The uncertainty of revenue and cash flows is affected by the ultimate sales price by the Parent Company to its end customers in terms of the agreement entered into with the Parent Company. Any changes on account of the said realisation in the ultimate price is immediately passed on by the Parent Company to the company at the end of every month.

3 **Contract Balances:**

The sales by the Company are reflected as Trade Receivables in Note 2.03 of the financials. The Company does not have any other balance on account of contract assets or contract liabilities from contract with customers either as the beginning of the year or end of the year. Consequently, there are no significant changes in the contract asset and contract liability balances.

4 **Performance obligations, allocation of transaction price, significant judgements and determining the timing of satisfaction of performance obligations:**

The Company has a single performance obligation in terms of contract with its Parent Company i.e. Sale of tiles and is typically satisfied upon delivery of tiles for transportation. The payment terms are 49 days from the satisfaction of its performance obligation i.e. raising of invoice on delivery of tiles. The obligations for returns, refunds and other similar obligations are very minimal. There are no warranties or related obligations in terms of the existing contracts.

The Company has a single performance obligation in terms of contract with its Parent Company i.e. Sale of tiles and is typically satisfied upon delivery of tiles for transportation which is the sole transaction price. There are no remaining performance obligations or no requirement to allocate the transaction price to performance obligations.

5 **Other disclosures:**

There are no assets recognised from costs to obtain or fulfil a contract with customers. There is no practical expedient either in terms of existence of a significant financing component or on the incremental costs of obtaining a contract with customers.

4.15 Disclosure in Terms of IND AS 116 "Leases" as a Lessee:

The disclosure in terms of the standard are as follows:

1 **Transition**

Effective April 1, 2019, the Company adopted IND AS 116 "Leases" and has applied retrospectively with the cumulative effect of initially applying the Standard recognised at the date of initial application as follows:

a. The lease liability has been measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of application.

b. recognise a right-of-use asset at the date of application by an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of application.

The above application has resulted in an initial recognition of Right of Use Assets of Rs.344.01 Lakhs and a Lease Liability (net of Prepaid) of Rs. 342.69 Lakhs.

The following is the summary of practical expedients elected on initial application:

1. Applied only to contracts that were previously identified as leases under IND AS 17.
2. Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
3. Exclusion of initial direct costs from the measurement of the right-of-use asset.
4. Use of hindsight, such as lease payments during the year or as in determining the lease term if the contract contains options to extend or terminate the lease.
5. elect not to apply the standard to leases for which the lease term ends within 12 months of the date of initial application.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 11.13%.

Other disclosures in Terms of IND AS 116 are as follows:

a. Nature of leasing activities: The leasing activities of the Company are primarily on account of lease of land or lease of Plant and Machinery for its operations.

b. The lease of certain Plant and Machinery have variable lease payments which are debited to the profit and loss account on actual basis and are not considered in the calculation of lease liabilities. These variable lease payments are restricted to amounts over and above the minimum commitments for leases and such variable lease payments are linked to the actual usage of inputs used in operations (for eg: Fuel) where estimates of consumption over and above the minimum commitment cannot be done.
Consequently, the future cash outflows on account of such variable lease payments cannot be estimated.

c. The application of this standard has been done only to contracts entered into (or changed) on or after the date of initial application.

d. Contractual maturities of lease liabilities as of March 31, 2020 on an undiscounted basis is as follows:

Period	Amount INR in Lakhs
Less than 1 Year	118.34
1 Years to 2 Years	56.91
2 Years to 3 Years	13.66
3 Years to 4 Years	2.85
4 Years to 5 Years	3.14
5 Years and Above	12.55

e. Expenses related to short term leases i.e. leases with terms of less than 12 months debited to the statement of profit and loss during the year is Rs. 124.55 Lakhs.

f. Expense relating to leases of low-value assets debited to the statement of profit and loss during the year is Rs. Nil.

g. Expense relating to variable lease payments not included in the measurement of lease liabilities is Rs. 3.79 Lakhs.

h. Total Cash outflow for leases during the year is Rs.285.52 Lakhs.

i. There are no restrictions or covenants imposed by leases other than the minimum commitments which have been considered in the calculation of lease liabilities.

j. The aggregate depreciation on Right of Use Assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

k. Future cash outflows on account of leases which have not yet commenced to which the lessee is committed are as follows:
The Company has entered into lease agreement with an external vendor for supply of machinery for purification of gas impurities to conform to the regulatory requirements. The Company has made advance lease payments to a vendor amounting to Rs. 268.88 Lakhs as on 31.03.2020 which shall be adjusted against future lease payments. The commercial opertaions for the said lease is yet to commence. The said lease involves a specialised technique. Pending outcome of the same, the Company has considred the termination option for lease of other machineries incidental to this lease Future cash outflows and financial impact on account of the main leased assets cannot be determined as the same is linked to the outcome of the said project. The project is expected to be operational in the forthcoming year

l. Right of Use Assets have been disclosed as a separate category under the head "Property Plant Equipment" in Note 2.01.

m. The weighted average incremental borrowing rate applied to Lease Liabilities for the year is 10.84%.

n. The Implementation of standard during the year has resulted in a reclassification of the following expenses for the year ended March 31, 2020 as

Particulars	Amount in INR in Lakhs
Rent	168.08
Power and Fuel consumed	117.68

The implementation has also resulted in the following expenses being recognised in the statement of Profit and Loss Account during the year ended March

Particulars	Amount in INR in Lakhs
Depreciation on Right of Use Leasehold Assets	228.26
Finance cost on Lease Liabilities	52.05

All amounts are in Lakhs unless otherwise stated

4.16 **Financial Instruments : Accounting classifications, Fair value measurements, Financial Risk management and offsetting of financial assets and liabilities**

(i) **Accounting classifications**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

a) The carrying amounts of trade receivables, cash and cash equivalents, short term deposits, trade payables, payables for acquisition of

b) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(ii) **Fair Value measurements**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

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

Level 3: unobservable inputs from assets and liability

31-Mar-20

Particulars	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
Financial assets							
Trade receivables	789.28	-	-	789.28	-	-	-
Loan	255.94	-	-	255.94	-	-	-
Other financial assets	20.13	-	-	20.13	-	-	-
Cash and cash equivalents	126.06	-	-	126.06	-	-	-
Bank Balances	8.92	-	-	8.92	-	-	-
	1,200.33	-	-	1,200.33	-	-	-

Financial Liabilities	Carrying Value	Classification		Fair Value		
		FVTPL	Amortised Cost	Level 1	Level 2	Level 3
Borrowings	19,756.12	-	19,756.12	-	-	-
Trade payables	1,276.05	-	1,276.05	-	-	-
Lease Liabilities	192.25		192.25	-	-	-
Other financial liabilities	492.25	-	492.25	-	-	-
	21,716.67	-	21,716.67	-	-	-

31-Mar-19

Particulars	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
Financial assets							
Trade receivables	2,635.55	-	-	2,635.55	-	-	-
Loan	484.91	-	-	484.91	-	-	-
Other financial assets	28.05	-	-	28.05	-	-	-
Cash and cash equivalents	59.55	-	-	59.55	-	-	-
Bank Balances	65.50	-	-	65.50	-	-	-
	3,273.56	-	-	3,273.56	-	-	-

Financial Liabilities	Carrying Value	Classification		Fair Value		
		FVTPL	Amortised Cost	Level 1	Level 2	Level 3
Borrowings	20,601.83	-	20,601.83	-	-	-
Trade payables	2,456.62	-	2,456.62	-	-	-
Other financial liabilities	929.15	-	929.15	-	-	
	23,987.60	-	23,987.60	-	-	-

Silica Ceramica Private Limited
Notes to Financial Statements for the year ended March 31, 2020
All amounts are in Lakhs unless otherwise stated

4.17 Proposed Scheme of Amalgamation of Silica Ceramica Private Limited with parent Company viz Prism Johnson Ltd.

The Board of Directors of the Company have approved on October 23, 2019 the Composite Scheme of Arrangement and Amalgamation of the Company with its Parent Company viz. Prism Johnson Ltd., which has been filed before the NCLT, Hyderabad. The Scheme envisages reduction of securities Premium Account of the Company by offsetting the same with the debit balance of retained earnings followed by amalgamation of the Company with its parent Company. The statutory approvals for the proposed scheme are awaited and no impact of the same has been provided in the financials of the Company for the year ended March 31, 2020.

4.18 Note on COVID-19

The World Health Organisation announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24,2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been further extended till May,2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management has made assessment of the impact of COVID-19 on the company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly no adjustments have been made to the financial statements.

As per our report of even date
For and on behalf of A.P. Sanzgiri & Co.
Chartered Accountants
Firm Reg No. 116293W

CA Satish Gupta
Partner
Membership No: 101134

Place : Mumbai
Date : 22 MAY 2020

For and on behalf of the Board

Sunil Kumar Sethi
Executive Director & CEO
DIN: 06442737

Prem Narayan Trivedi
Director
DIN: 00535201

Aditya Mahadik
Company Secretary
ACS 45219

R. Surya Prakasa Rao
CFO

Place : Mumbai
Date : 22 MAY 2020

Silica Ceramica Private Limited

Balance Sheet as at June 30, 2020

All amounts are in Lakhs unless otherwise stated

	Notes	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
ASSETS					
Non-current assets					
Property, plant and equipment	1.01	15,347.19	16,629.08	15,646.49	16,019.35
Capital work-in-progress		448.31	311.94	36.80	295.21
Investment Property		-	-	-	-
Goodwill		-	-	-	-
Other Intangible assets	1.02	0.56	1.43	0.81	1.63
Intangible assets under development					
Financial assets					
Investments		-	-	-	-
Trade Receivables	1.03	-	-	-	-
Loans	1.04	225.54	476.06	225.24	474.57
Other financial assets	1.05	-	-	-	-
Deferred tax assets (Net)	1.06	791.33	791.33	791.33	791.33
Other non-current assets	1.07	392.86	192.16	392.51	133.52
Total non-current assets		17,205.79	18,402.00	17,100.18	17,715.61
Current Assets					
Inventories	1.08	4,669.46	5,861.12	5,836.90	5,637.77
Financial Assets					
Investments					
Trade Receivables	1.03	1,116.34	2,024.36	789.28	2,635.55
Cash and cash equivalents	1.09	114.17	59.86	126.06	59.55
Bank balances other than 1.09 above	1.09	-	1,187.75	8.92	65.50
Loans	1.04	31.48	-	30.70	10.34
Other financial assets	1.05	4.94	20.36	43.09	28.05
Current tax assets (Net)	1.10	56.49	51.83	56.81	49.35
Non-current assets classified as held for sale					
Other current assets	1.07	2,250.47	2,632.55	2,299.61	2,355.41
Total current assets		8,183.35	11,839.83	9,191.37	10,841.52
Total assets		25,389.14	30,241.83	26,291.55	28,557.13
EQUITY AND LIABILITIES					
Equity					
Equity Share capital	1.11	12,160.83	8,660.83	12,160.83	8,660.83
Other Equity	1.12	-9,033.53	-5,122.36	-7,748.80	-4,233.62
Total equity		3,127.30	3,538.47	4,412.03	4,427.21
Liabilities					
Non-current liabilities					
Financial Liabilities					
Borrowings	1.13	14,683.06	7,485.66	16,122.78	[illegible]
Trade payables	1.14	-	-	-	-
Lease Liabilities	1.15	71.91	494.83	87.26	-
Other financial liabilities	1.16	-	-	-	-
Provisions	1.17	92.56	77.97	87.43	70.38
Deferred tax liabilities (Net)					
Other non-current liabilities	1.18	-	-	-	-
Total non-current liabilities		14,847.53	8,058.46	16,297.47	8,137.25
Current liabilities					
Financial Liabilities					
Borrowings	1.13	2,091.24	3,477.20	1,744.99	2,520.06
Trade payables	1.14				
Total outstanding dues of Micro Enterprises & Small Enterprises		32.14	131.93	100.77	311.32
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises		1,147.99	2,250.33	1,175.28	2,145.30
Lease Liabilities	1.15	85.33	360.31	104.99	-
Other financial liabilities	1.16	3,888.07	11,155.24	2,380.60	10,904.05
Other current liabilities	1.18	117.68	1,225.87	26.65	37.77
Provisions	1.17	51.86	44.02	48.77	34.47
Current Tax Liabilities (Net)		-	-	-	-
Liabilities directly associated with assets classified as held for sale					
Total current liabilities		7,414.31	18,644.90	5,582.05	15,952.67
Total equity and liabilities		25,389.14	30,241.83	26,291.55	28,557.13

For and on behalf of the Board

Sunil Kumar Sethi
Executive Director & CEO
DIN: 08442737

Prem Narayan Trivedi
Director
DIN: 00535201

Aditya Mahadik
Company Secretary
ACS 45219

R. Surya Prakasa Rao
CFO

Place : Mumbai
Date : 05 August 2020

Silica Ceramica Private Limited

Statement of Profit or Loss and Other Comprehensive Income for the Period ended June 30, 2020

All amounts are in Lakhs unless otherwise stated

	Notes	QTR ended 30th June'20	QTR ended 30th June'19	QTR ended 31st Mar'20	YTD 31st Mar'20	YTD 31st Mar'19
Revenue from operations	2.01	1,378.99	2,968.11	2,190.15	10,358.16	12,905.66
Other income	2.02	4.67	30.27	10.12	93.48	90.90
Total Income		1,383.66	2,998.38	2,200.27	10,451.64	12,996.56
Expenses						
Cost of materials consumed	2.03	123.15	1,060.83	627.85	3,472.58	4,797.62
Purchase of stock-in-trade	2.04	-	-	24.68	24.68	27.58
Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.05	1,145.52	-289.06	234.54	-377.94	-557.58
Manufacturing expenses	2.06	192.04	1,637.96	698.86	5,007.23	6,031.32
Employee benefits expense	2.07	241.82	402.77	417.09	1,588.13	1,601.32
Finance costs	2.08	570.29	638.66	606.23	2,483.37	2,470.39
Depreciation and amortization expense	2.09	305.52	340.28	313.83	1,265.81	1,041.72
Other expenses	2.10	88.83	95.33	120.33	466.83	674.85
Total Expenses		2,667.17	3,886.77	3,043.41	13,930.69	16,086.82
Profit / (loss) before exceptional items and tax		-1,283.51	-888.39	-843.14	-3,479.05	-3,090.26
Exceptional items		-	-	-	-	-
Profit / (loss) before tax		-1,283.51	-888.39	-843.14	-3,479.05	-3,090.26
Tax expenses						
Current tax		-	-	-	-	-
Deferred tax	2.11	-	-	-	-	-
Income-tax liability/(write back) of earlier years						-
		-	-	-	-	-
Profit / (loss) for the period from continuing operations		-1,283.51	-888.39	-843.14	-3,479.05	-3,090.26
Profit / (loss) for the period from discontinued operations before tax						-
Tax expense of discontinued operations						-
Profit / (loss) for the period from discontinued operations (after tax)		-	-	-	-	-
Profit/ (loss) for the period		-1,283.51	-888.39	-843.14	-3,479.05	-3,090.26
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans		-1.22	-0.35	0.27	-4.88	-1.38
Equity instruments through other comprehensive income						
		-1.22	-0.35	0.27	-4.88	-1.38
Income tax relating to items that will not be reclassified to profit or loss						-
Total other comprehensive income		-1.22	-0.35	0.27	-4.88	-1.38
Total comprehensive income for the period		-1,284.73	-888.74	-842.87	-3,483.93	-3,091.64
Earnings per equity share (for continuing operations) :						
Basic (in ₹)		-1.06	-1.03	-0.69	-3.39	-4.99
Diluted (in ₹)		-1.06	-1.03	-0.69	-3.39	-4.99
Earnings per equity share (for discontinued operations) :						
Basic (in ₹)		-	-	-	-	-
Diluted (in ₹)		-	-	-	-	-
Earnings per equity share (for discontinued and continuing operations) :						
Basic (in ₹)		-1.06	-1.03	-0.69	-3.39	-4.99
Diluted (in ₹)		-1.06	-1.03	-0.69	-3.39	-4.99
		-	-	-	-	-

For and on behalf of the Board

Sunil Kumar Sethi
Executive Director & CEO
DIN: 06442737

Prem Narayan Trivedi
Director
DIN: 00535201

Aaditya Mahadik
Company Secretary
ACS 45219

R. Surya Prakasa Rao
CFO

Place : Mumbai
Date : 05 August 2020

Silica Ceramica Private Limited
Notes to Financial Statements for the Period Ending June 30, 2020
All amounts are in Lakhs unless otherwise stated

1.01 Property, plant and equipment :

	Gross Carrying Amount							Depreciation					Net Block	
	As at April 1, 2020	Addition	Disposal	Acquisition through business combinations	Effect of Foreign currency exchange differences	Construction expenditures capitalised	As at June 30, 2020	As at April 1, 2020	For the Period	Elimination on disposal	Other adjustments - Transferred to Retained Earnings	As at June 30, 2020	As at June 30, 2020	As at March 31, 2020
Own Assets:														
Land - Freehold	1,994.06	-	-	-	-	-	1,994.06	-	-	-	-	-	1,994.06	1,994.06
Buildings	2,662.61	-	-	-	-	-	2,662.61	559.75	29.77	-	-	589.52	2,073.09	2,102.86
Plant and Machinery	15,649.57	0.51	-	-	-	-	15,650.08	4,358.88	226.68	-	-	4,585.56	11,064.52	11,290.69
Office Equipment	35.74	-	-	-	-	-	35.74	27.22	0.39	-	-	27.61	8.13	8.52
Computers	30.22	-	-	-	-	-	30.22	21.83	0.49	-	-	22.32	7.90	8.39
Mines Development	0.76	-	-	-	-	-	0.76	0.04	-	-	-	0.04	0.72	0.72
Furniture & Fixtures	75.12	-	-	-	-	-	75.12	44.32	2.06	-	-	46.38	28.74	30.80
Vehicles	9.35	5.48	-	-	-	-	14.83	2.14	0.32	-	-	2.46	12.37	7.21
Live Stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Truck Mixers, Loaders and Truck Dumpers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total ....A	20,457.43	5.99	-	-	-	-	20,463.42	5,014.18	259.71	-	-	5,273.89	15,189.53	15,443.25
Right of Use Lease Hold Assets :														
Land	32.71	-	-	-	-	-	32.71	3.33	1.87	-	-	5.20	27.51	29.33
Plant and Machinery	304.11	-	-	-	-	-	304.11	130.25	43.71	-	-	173.96	130.15	173.86
Total ....B	336.82	-	-	-	-	-	336.82	133.58	45.58	-	-	179.16	157.66	203.24
Total .... A+B	20,794.25	5.99	-	-	-	-	20,800.24	5,147.76	305.29	-	-	5,453.05	15,347.19	15,646.49

1.02 Other Intangible Assets :

	Gross Carrying Amount							Depreciation					Net Block	
	As at April 1, 2020	Addition	Disposal	Acquisition through business combinations	Effect of Foreign currency exchange differences	Construction expenditures capitalised	As at June 30, 2020	As at April 1, 2020	For the Period	Elimination on disposal	Other adjustments - Transferred to Retained Earnings	As at June 30, 2020	As at June 30, 2020	As at March 31, 2020
Software	44.96	-	-	-	-	-	44.96	44.15	0.25	-	-	44.40	0.56	0.81
Total	44.96	-	-	-	-	-	44.96	44.15	0.25	-	-	44.40	0.56	0.81

Range of remaining period of amortisation of Intangible Assets is as below:

	0 to 5 years	6 to 10 years	22 to 27 years	Total WDV
Software	0.56	-	-	0.56

Silica Ceramica Private Limited
Notes to Financial Statements for the Period Ending June 30, 2020
All amounts are in Lakhs unless otherwise stated

1.01 Property, plant and equipment :

	Gross Block							Depreciation					Net Block	
	As at April 1, 2020	Addition	Disposal	Acquisition through business combinations	Effect of Foreign currency exchange differences	Construction expenditures capitalised	As at June 30, 2020	As at April 1, 2020	For the Period	Elimination on disposal	Other adjustments - Transferred to Retained Earnings	As at June 30, 2020	As at June 30, 2020	As at March 31, 2020
Own Assets:														
Land - Freehold	1,994.06	-	-	-	-	-	1,994.06	-	-	-	-	-	1,994.06	1,994.06
Buildings	3,081.19	-	-	-	-	-	3,081.19	978.34	29.77	-	-	1,008.11	2,073.08	2,102.85
Plant and Machinery	19,171.47	0.51	-	-	-	-	19,171.98	7,881.52	226.68	-	-	8,108.20	11,063.78	11,289.95
Office Equipment	55.93	-	-	-	-	-	55.93	47.41	0.39	-	-	47.80	8.13	8.52
Computers	49.14	-	-	-	-	-	49.14	40.75	0.49	-	-	41.24	7.90	8.39
Mines Development	1.52	-	-	-	-	-	1.52	0.04	-	-	-	0.04	1.48	1.48
Furniture & Fixtures	90.95	-	-	-	-	-	90.95	60.16	2.06	-	-	62.22	28.73	30.79
Vehicles	24.48	5.48	-	-	-	-	29.96	17.27	0.32	-	-	17.59	12.37	7.21
Live Stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Truck Mixers, Loaders and Truck Dumpers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total ....A	24,468.74	5.99	-	-	-		24,474.73	9,025.49	259.71	-	-	9,285.20	15,189.53	15,443.25
Right of Use Lease Hold Assets :														
Land	32.71	-	-	-	-	-	32.71	3.33	1.87	-	-	5.20	27.51	29.38
Plant and Machinery	304.11	-	-	-	-	-	304.11	130.25	43.71	-	-	173.96	130.15	173.86
Total ....B	336.82	-	-	-	-		336.82	133.58	45.58	-	-	179.16	157.66	203.24
Total .... A+B	24,805.56	5.99	-	-	-		24,811.55	9,159.07	305.29	-	-	9,464.36	15,347.19	15,646.49

1.02 Other Intangible Assets :

	Gross Carrying Amount							Depreciation					Net Block	
	As at April 1, 2020	Addition	Disposal	Acquisition through business combinations	Effect of Foreign currency exchange differences	Construction expenditures capitalised	As at June 30, 2020	As at April 1, 2020	For the Period	Elimination on disposal	Other adjustments - Transferred to Retained Earnings	As at June 30, 2020	As at June 30, 2020	As at March 31, 2020
Software	72.20	-	-	-	-		72.20	71.39	0.25	-	-	71.64	0.56	0.81
Total	72.20	-	-	-	-		72.20	71.39	0.25	-	-	71.64	0.56	0.81
									-				0.00	5.60

Range of remaining period of amortisation of Intangible Assets is as below:

	0 to 5 years	6 to 10 years	22 to 27 years	Total WDV
Software	0.56	-	-	0.56

Silica Ceramica Private Limited

Notes to Financial Statements for the Period Ending June 30, 2020

All amounts are in Lakhs unless otherwise stated

1.03 Trade Receivables

	Non Current				Current			
	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Secured, considered good	-	-	-	-	-	-	-	-
Unsecured, considered good	-	-	-	-	1,116.34	2,024.36	789.28	2,635.55
Doubtful								
	-	-	-	-	1,116.34	2,024.36	789.28	2,635.55
Allowance for doubtful debts (expected credit loss)							-	-
Total	-	-	-	-	1,116.34	2,024.36	789.28	2,635.55

Trade Receivable stated above include debts due by:	Non Current				Current			
	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Related Parties					1,116.34	2,024.36	789.28	2,787.16
Directors*	-	-	-	-	-	-	-	-
Other Officers of the Company*	-	-	-	-	-	-	-	-
Firm in which Director is a partner*	-	-	-	-	-	-	-	-
Private Company in which Director is a member	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-

*either severally or jointly.

1.04 Loans

	Non Current				Current			
	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Security Deposits								
Secured, considered good	-	-	-	-	-	-	-	-
Unsecured, considered good	225.54	476.06	225.24	474.57	31.48	-	30.70	10.34
Doubtful	-	-	-	-	-	-	-	-
	225.54	476.06	225.24	474.57	31.48	-	30.70	10.34
Less : Impairment of deposits	-	-	-	-	-	-	-	-
(A)	225.54	476.06	225.24	474.57	31.48	-	30.70	10.34
Total	225.54	476.06	225.24	474.57	31.48	-	30.70	10.34

Loans due by directors or other officers, etc.	Non Current				Current			
	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
The above include								
Dues from Directors*	-	-	-	-	-	-	-	-
Dues from other officers of the Company*	-	-	-	-	-	-	-	-
Firm in which Director is a partner*	-	-	-	-	-	-	-	-
Private Company in which the director is a director or member								
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-

*either severally or jointly

1.05 Other financial assets

	Non Current				Current			
	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Accrued Interest On Deposits with Bank	-	-	-	-	-	14.06	6.59	3.80
Accrued interest on Power Deposits	-	-	-	-	2.40	6.30	19.63	24.25
Other Receivables	-	-	-	-	-	-	-	-
- Representing Refund of excess payments to bank	-	-	-	-	-	-	26.47	-
- Representing Advance made for Solar Power	-	-	-	-	2.54	-	2.54	-
Total	-	-	-	-	4.94	20.36	43.09	28.05

1.06 Deferred tax assets/ liabilities (net)

	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Deductible temporary differences				
Carry forward Business Loss and depreciation	2,720.29	3,247.03	2,720.29	3,247.03
Expenses provided but allowable in Income Tax on payment	-	-	-	-
	2,720.29	3,247.03	2,720.29	3,247.03
Taxable temporary differences				
Difference between WDV of fixed assets as per books and Income taxes	1,928.96	2,455.70	1,928.96	2,455.70
	1,928.96	2,455.70	1,928.96	2,455.70
Net deferred tax asset/ (liabilities)	791.33	791.33	791.33	791.33

Silica Ceramics Private Limited
Notes to Financial Statements for the Period Ending June 30, 2020
All amounts are in Lakhs unless otherwise stated

1.07 Other assets

	Non Current				Current			
	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Unsecured, Considered Doubtful								
Advances to other parties	-	-	-	-	12.24	12.24	12.24	12.24
Less: Provision for Doubtful advances	-	-	-	-	-12.24	-12.24	-12.24	-12.24
Unsecured, Considered Good								
Capital Advances	268.88	47.67	275.90	1.06	-	-	-	-
Advances other than Capital Advances								
Advances to other parties	-	14.25	-	-	35.79	360.76	82.86	89.61
Prepaid expenses	1.96	8.22	1.59	10.44	33.46	86.07	25.34	81.76
Subsidy Receivable from AP Govt	33.24	33.24	33.24	33.24	2,178.10	2,178.10	2,178.10	2,178.10
MAT Entitlement	88.78	88.78	88.78	88.78	-	-	-	-
GST Receivables	-	-	-	-	-	-	12.51	-
Other Receivables - Staff Advances	-	-	-	-	0.12	6.13	0.18	5.39
Others	-	-	-	-	3.00	1.49	0.62	0.55
	392.86	192.16	399.51	133.52	2,250.47	2,632.55	2,299.61	2,355.41

1.08 Inventories

	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Raw materials	1,434.69	1,859.50	1,522.63	1,803.89
Goods-in-transit	9.53	-	1.89	0.33
Work-in-progress	324.46	350.85	319.18	398.04
Finished goods	1,105.91	2,136.36	2,256.77	1,799.91
Stores and spares	1,734.87	1,516.71	1,736.49	1,635.60
Total inventories at the lower of cost and net realisable value	4,609.46	5,863.42	5,836.96	5,637.77

1.09 Cash and Bank Balances

	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Cash and cash equivalent				
Balances with banks				
On current accounts	111.16	55.35	121.13	54.53
Cash on hand	3.01	4.51	4.93	5.02
	114.17	59.86	126.06	59.55
Bank balances other than above				
Deposits earmarked against Escrow Accounts with original maturity for more than 3months but less than 12 months	-	1,187.75	8.92	65.50
	-	1,187.75	8.92	65.50

1.10 Current tax assets and liabilities

	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Current tax assets				
Tax refund receivable	56.49	51.83	56.81	49.35
Others representing taxes paid against demand	-	-	-	-
	56.49	51.83	56.81	49.35
Current tax liabilities				
	-	-	-	-

Silica Ceramica Private Limited
Notes to Financial Statements for the Period Ending June 30, 2020
All amounts are in Lakhs unless otherwise stated

1.11 Share capital

	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Authorised share capital :				
12,16,10,000(March 31, 2020: 12,16,10,000) equity shares of Rs. 10/- each	12,161.00	8,661.00	12,161.00	8,661.00
	12,161.00	8,661.00	12,161.00	8,661.00
Issued and subscribed capital comprises :				
12,16,08,283 (March 31, 2020: 12,16,08,283) equity shares of Rs. 10/- each (fully paid up)	12,160.83	8,660.83	12,160.83	8,660.83
Total issued, subscribed and fully paid-up share capital	12,160.83	8,660.83	12,160.83	8,660.83

a. Reconciliation of shares outstanding as at the beginning and at the end of the reporting period:

Equity shares	As at June 30, 2020		As at June 30, 2019		As at Mar 31, 2020		As at Mar 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	12,16,08,283	12,160.83	8,66,08,283	8,660.83	8,66,08,283	8,660.83	6,16,08,283	6,160.83
Issued During the Year	-	-	-	-	3,50,00,000	3,500.00	2,50,00,000	2,500.00
Outstanding at the end of the period	12,16,08,283	12,160.83	8,66,08,283	8,660.83	12,16,08,283	12,160.83	8,66,08,283	8,660.83

b. Rights, preference and restrictions attached to 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 per share. Each holder of equity shares is entitled to one vote per share held. The share holders are entitled to dividend declared on Proportionate basis. On liquidation of the company, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

c. Details of share holders holding more than 5% shares in the company

	As at June 30, 2020		As at June 30, 2019		As at Mar 31, 2020		As at Mar 31, 2019	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Equity shares of Rs. 10 each fully paid								
Name of the Shareholder								
Prism Johnson Limited (Holding Company) (previously known as Prism Cement Limited)	12,16,08,282	100.00%	8,65,45,782	99.93%	12,16,08,282	100.00%	8,65,45,782	99.93%
Mr. G. Veerabhadra Rao jointly with Mr. D. Prabhakara Raju and Mr. BVS Sai Raju (As Trustees of Silica Share Holders Trust)	-	0.00%	62,500	0.07%	-	0.00%	62,500	0.07%
Mr. Sunil Kumar Sethi (Nominee of Prism Johnson Limited)	1	0.00%	1	0.00%	1	0.00%	1	0.00%

1.12 Other equity

	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Retained earnings	-24,595.87	-20,715.95	-23,311.14	-19,827.21
Other Equity Representing Fair value of the Financial Guarantee provided by parent Company	478.07	478.07	478.07	478.07
Securities Premium Reserve	15,084.27	15,115.52	15,084.27	15,115.52
	-9,033.53	-5,122.36	-7,748.80	-4,233.62

Description of Reserves

Retained earnings

This represent the surplus/ (deficit) of the profit or loss. These amounts can be distributed by the Company as dividends to its equity shareholders considering the requirements of the Companies Act, 2013. The amounts reported above are distributable in entirety.

Other Equity Representing Fair value of the Financial Guarantee provided by parent Company

The above represents reserve representing fair value of financial guarantee issued against borrowings by the company for which the lender has charged Lower interest rates corresponding to the value of corporate Guarantee. The amounts reported above are not distributable as dividends.

Securities Premium Reserve

Where Companies issued shares at a premium, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a "securities premium reserve" as per the provisions of applicable Companies Act. The transaction costs on issue of shares are debited to the said reserve Account.

	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Retained earnings				
Balance at beginning of year	-23,311.14	-19,827.21	-19,827.21	-16,235.57
Profit for the year	-1,283.51	-888.39	-3,479.05	-3,090.26
Items of other comprehensive income recognised directly in retained earnings	-1.22	-0.35	-4.88	-1.38
Balance as at the end of the year	-24,595.87	-20,715.95	-23,311.14	-19,827.21
Other Equity Representing Fair value of the Financial Guarantee provided by parent Company				
Balance as at the beginning of the year	478.07	478.07	478.07	478.07
Movement during the year	-	-	-	-
Balance as at the end of the year	478.07	478.07	478.07	478.07
Securities Premium Reserve				
Balance as at the beginning of the year	15,084.27	15,115.52	15,115.52	15,138.02
Additions during the Year	-	-	-	-
Less: Share issue expenses written off	-	-	31.25	22.50
Balance as at the end of the year	15,084.27	15,115.52	15,084.27	15,115.52
Total other equity	-9,033.53	-5,122.36	-7,748.80	-4,233.62

Silica Ceramica Private Limited
Notes to Financial Statements for the Period Ending June 30, 2020
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2.13 Borrowings	Non Current				Current			
	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Secured								
Bonds / debentures	-	7,496.07	-	7,492.84	-	-	-	-
Term loans								
from banks	10,540.62	4,979.11	10,531.53	5,598.72	-	-	-	-
from Financial Institutions	2,361.96	-	2,485.70	-	-	-	-	-
Unsecured								
Bonds / debentures	4,994.88	4,990.21	4,993.90	4,990.21	-	-	-	-
Secured								
Loans repayable on demand from Banks								
Working Capital Demand Loans	-	-	-	-	1,500.00	2,000.00	1,250.00	1,500.00
Bank overdrafts and cash credits	-	-	-	-	591.24	1,477.20	494.99	1,020.06
	17,897.46	17,465.34	18,011.13	18,081.77	2,091.24	3,477.20	1,744.99	2,520.06
Less : Current maturities of long-term debt (included in Note 2.13)	3,214.40	9,979.68	1,888.35	9,974.90				
Total	14,683.06	7,485.66	16,122.78	8,106.87				

(a) Debentures (Unsecured and Unlisted) :

i 500 debentures allotted on 14-09-2018 aggregating to Rs 5000.00 which carry interest rate of 10.65% p.a payable yearly. These debentures are redeemable at the end of 36 months from the date of allotment. The Debentures have a Put/Call Option at the end of 2 Years from the date of Allotment.

These debentures are secured by way of Corporate Guarantee of Prism Johnson Limited, the Holding Company.

(b) Nature of Security and terms of repayment for secured borrowings (other than debentures).

	Nature of Security	Terms of Repayment	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
i	Term loan from ICICI Bank amounting to Rs 7,500 is secured by a First paripasu Charge Over Entire (movable and immovable) fixed Assets of the Borrower both present and Future, corporate Guarantee of Prism Johnson Limited also provided.	Repayable in 12 equal quarterly instalments. The first installment will fall due on the last day of the 18th month from the date of first draw-down(16th March,2017) Interest rate is 9.30% p.a.	624.58	4,979.11	624.58	5,598.72
ii	Term loan from ICICI Bank amounting to Rs 7,500 is secured by a First paripasu Charge Over Entire (movable and immovable) fixed Assets of the Borrower both present and Future, corporate Guarantee of Prism Johnson Limited also provided	Repayable on door to door tenure in 4.75 years, Including moratorium of two quarters. Repayment to be done in 17 structured quarterly instalments starting from 31st Dec 2020. Interest rate is 9.32% p.a	7,435.24	-	7,429.42	-
iii	Term loan from ICICI Bank amounting to Rs.2,500 is secured by a First paripasu Charge Over Entire (movable and immovable) fixed Assets of the Borrower both present and Future, corporate Guarantee of Prism Johnson Limited also provided	Repayable on door to door tenure in 3.00 years, Including moratorium of two quarters. Repayment to be done in 10 equal quarterly instalments starting from 31st Dec 2020. Interest rate is 9.32% p.a	2,480.86	-	2,477.53	-
iv	Term loan from Aditya Birla Finance Limited amounting to Rs.2,500 is secured by a First paripasu Charge Over Entire (movable and immovable) fixed Assets of the Borrower both present and Future, corporate Guarantee of Prism Johnson Limited also provided	Repayable on door to door tenure in 5 years, Including moratorium of one quarters. Repayment to be done in 20 structured quarterly instalments starting from 30th June 2020.Interest rate is 9.65% p.a. Lender has an put option at the end of 3 years from the date of disbursement	2,361.96	-	2,485.70	-
v	Cash Credit facility from Axis Bank having a limit of Rs 2,000 is Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and Second pari passu charge on the assets by way of mortgage and hypothecation on entire movable and immovable fixed assets of the company, present and future, along with other banks in multiple banking arrangements and corporate guarantee of Prism Johnson Limited	Repayable on demand with an Interest Rate of 11.15% p.a	227.43	433.61	10.57	305.32

Silica Ceramica Private Limited Notes to Financial Statements for the Period Ending June 30, 2020 All amounts are in Lakhs unless otherwise stated		-	-	-	-
vi Working Capital Demand Loan from Axis Bank as a sub limit to CC Facility mentioned above with an amount of Rs 1,500 is Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and Second pari passu charge on the assets by way of mortgage and hypothecation on entire movable and immovable fixed assets of the company, present and future, along with other banks in multiple banking arrangements and corporate guarantee of Prism Johnson Limited	Repayable on demand with an Interest Rate of 10.15% p.a.	1,000.00	1,500.00	1,000.00	1,500.00
vii Cash Credit facility from Yes Bank having a limit of Rs 1,000 is Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and Second pari passu charge on the assets by way of mortgage and hypothecation on entire movable and immovable fixed assets of the company, present and future, along with other banks in multiple banking arrangements and corporate guarantee of Prism Johnson Limited	Repayable on demand with an Interest Rate of 12.00% p.a.	-	589.13	-	229.27
viii Working Capital Demand Loan from Yes Bank as a sub limit to CC Facility is Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and Second pari passu charge on the assets by way of mortgage and hypothecation on entire movable and immovable fixed assets of the company, present and future, along with other banks in multiple banking arrangements and corporate guarantee of Prism Johnson Limited.	Repayable on demand with an Interest Rate of 12.50%	-	-	-	-
ix Working Capital Demand Loan from ICICI Bank as a sub limit to CC Facility with an amount of Rs. 1,000 is Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and Second pari passu charge on the assets by way of mortgage and hypothecation on entire movable and immovable fixed assets of the company, present and future, along with other banks in multiple banking arrangements and corporate guarantee of Prism Johnson Limited	Repayable on demand with an Interest Rate of 10.16%	500	500	250	
x Cash Credit facility from ICICI Bank having a limit of Rs 1,000 is Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and Second pari passu charge on the assets by way of mortgage and hypothecation on entire movable and immovable fixed assets of the company, present and future, along with other banks in multiple banking arrangements and corporate guarantee of Prism Johnson Limited	Repayable on demand with an Interest Rate of 10.55% p.a.	363.59	454.43	484.42	485.97

Silica Ceramica Private Limited
Notes to Financial Statements for the Period Ending June 30, 2020
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1.14 Trade payables	Non Current				Current			
	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Total outstanding dues of Micro Enterprises & Small Enterprises	-	-	-	-	37.14	131.93	100.77	311.32
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	-	-	-	-	1,142.99	2,250.33	1,175.28	2,145.30
	-	-	-	-	1,180.13	2,382.26	1,276.05	2,456.62

1.15 Lease liabilities	Non Current				Current			
	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Lease Liabilities - Land	17.45	16.52	18.20	-	7.31	4.15	7.12	-
Lease Liabilities - Machinery	54.46	478.31	69.06	-	78.02	356.16	97.87	-
	71.91	494.83	87.26	-	85.33	360.31	104.99	-

1.16 Other financial liabilities	Non Current				Current			
	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Current maturities of long-term debt	-	-	-	-	3,214.40	9,979.68	1,879.35	9,974.90
Interest accrued but not due on loans	-	-	-	-	424.32	866.91	291.56	542.49
Security deposits from customers / others	-	-	-	-	6.70	5.29	9.70	5.29
Liability for expenses	-	-	-	-	240.65	303.36	184.99	253.76
Trade Payable-Capital Goods/Works	-	-	-	-	-	-	15.00	127.61
	-	-	-	-	3,886.07	11,155.24	2,380.60	10,904.05

1.17 Provisions	Non Current				Current			
	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Employee benefits								
Provision for Gratuity	61.01	57.60	60.26	51.91	9.23	7.87	10.76	6.12
Provision for Bonus	-	-	-	-	29.05	28.54	23.98	24.29
Provision for Leave Encashment	31.55	20.37	27.17	18.47	13.58	7.61	14.03	3.76
	92.56	77.97	87.43	70.38	51.86	44.02	48.77	34.17

1.18 Other liabilities	Non Current				Current			
	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019	As at June 30, 2020	As at June 30, 2019	As at Mar 31, 2020	As at Mar 31, 2019
Advance from customers	-	-	-	-	3.60	1,076.49	2.63	2.33
Statutory liabilities	-	-	-	-	114.08	149.38	24.02	35.44
	-	-	-	-	117.68	1,225.87	26.65	37.77

Silica Ceramica Private Limited

Notes to Financial Statements for the Period Ending June 30, 2020

All amounts are in Lakhs unless otherwise stated

2.01 Revenue from operations	QTR ended 30th June'20	QTR ended 30th June'19	QTR ended 31st Mar'20	YTD 31st Mar'20	YTD 31st Mar'19
Revenue from operations					
Sale of products	1,375.23	2,956.42	2,186.69	10,306.74	12,785.05
Other operating revenue			-		
Scrap Sales	3.76	11.69	3.46	51.42	120.61
Revenue from operations (Gross)	1,378.99	2,968.11	2,190.15	10,358.16	12,905.66

2.02 Other Income	QTR ended 30th June'20	QTR ended 30th June'19	QTR ended 31st Mar'20	YTD 31st Mar'20	YTD 31st Mar'19
Interest Income on					
Interest income earned on financial assets that are not designated as fair value through profit or loss .					
Bank Deposits (at amortized cost)	-	15.62	-5.72	46.98	4.22
Others (Interest on Deposits)	3.56	8.05	8.39	24.18	25.05
			-		
Other non - operating income					
Claims and Recoveries	-	-	-	-	27.54
Rent Received	1.10		1.09	4.38	6.48
Miscellaneous Income	0.01	6.60	1.26	10.09	2.01
Other gains and losses			-		
Net gain on foreign currency transaction and translations other than finance cost	-	-	-	-	-
Profit on Sale of property, plant and equipment (net)	-	-	0.64	3.39	33.60
Profit on Disposal of Right of Use Lease Assets (Net)	-	-	4.46	4.46	-
	4.67	30.27	10.12	93.48	98.90

2.03 Cost of materials consumed	QTR ended 30th June'20	QTR ended 30th June'19	QTR ended 31st Mar'20	YTD 31st Mar'20	YTD 31st Mar'19
Raw Materials	103.42	706.96	406.61	2,301.83	3,498.19
Minerals	5.14	75.01	42.61	236.18	269.79
Soluble Salts, Stains & Colors	5.26	91.41	49.53	250.21	286.50
Packing Material	9.33	187.45	129.10	684.36	743.14
	123.15	1,060.83	627.85	3,472.58	4,797.62

2.04 Purchases of Stock-in-trade	QTR ended 30th June'20	QTR ended 30th June'19	QTR ended 31st Mar'20	YTD 31st Mar'20	YTD 31st Mar'19
Tiles	-	-	-	-	-
Others	-	-	24.68	24.68	27.18
	-	-	24.68	24.68	27.18

2.05 (Increase) /decrease in inventories	QTR ended 30th June'20	QTR ended 30th June'19	QTR ended 31st Mar'20	YTD 31st Mar'20	YTD 31st Mar'19
Inventories at the end of the year					
Work - in - progress	324.45	350.85	319.18	319.18	398.04
Finished goods	1,105.91	2,136.16	2,256.71	2,256.71	1,799.91
	1,430.37	2,487.01	2,575.89	2,575.89	2,197.95
Inventories at the beginning of the year					
Work - in - progress	319.18	398.04	363.32	398.04	281.47
Finished goods	2,256.71	1,799.91	2,447.11	1,799.91	1,358.90
	2,575.89	2,197.95	2,810.43	2,397.95	1,640.37
	1,145.52	-289.06	234.54	-377.94	-557.58

2.06 Manufacturing expenses	QTR ended 30th June'20	QTR ended 30th June'19	QTR ended 31st Mar'20	YTD 31st Mar'20	YTD 31st Mar'19
Stores and Spares consumed	23.65	269.97	167.71	882.07	1,042.63
Power and fuel consumed	163.03	1,326.54	475.16	3,957.59	4,786.55
Repairs to plant and machinery including Hire Expenses	5.36	41.45	55.99	167.57	202.14
	192.04	1,637.96	698.86	5,007.23	6,031.32

2.07 Employee Benefits Expense	QTR ended 30th June'20	QTR ended 30th June'19	QTR ended 31st Mar'20	YTD 31st Mar'20	YTD 31st Mar'19
Salaries, wages and bonus	215.48	361.85	353.59	1,417.34	1,466.29
Contribution to provident and other fund	11.82	14.95	14.55	57.18	57.88
Gratuity	2.78	3.50	3.29	13.16	11.66
Leave encashment	4.39	11.06	17.56	26.30	9.81
Staff welfare expenses	7.35	11.41	28.10	74.15	55.74
	241.82	402.77	417.09	1,588.13	1,601.37

Silica Ceramica Private Limited
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2.08 Finance Costs	QTR ended 30th June'20	QTR ended 30th June'19	QTR ended 31st Mar'20	YTD 31st Mar'20	YTD 31st Mar'19
Interest and Finance charges on financial liabilities not a FVTPL					
Interest on Overdraft / Cash Credit	52.99	80.06	50.13	292.48	386.60
Interest on Term Loan	316.35	144.93	343.29	796.32	692.97
Interest on Debentures	133.74	327.60	133.71	1,060.87	1,069.60
Interest on Bills Payable	-	-	-	-	52.95
Other interest expenses paid to Perent Company	-	21.37	6.41	72.42	107.71
Other interest expenses	4.07	-	-	3.43	5.06
Corporate Guarantee Expenses	-	19.63	12.57	70.81	94.41
Interest Expenses on Lease Liabilities	4.50	23.75	7.50	52.05	-
Other borrowing costs			-		
Processing Fees	5.13	4.19	8.70	27.60	10.51
Commission on Corporate Guarantee	52.75	15.25	42.43	94.90	33.42
Other Financial Charges	0.76	1.88	1.49	12.49	17.16
	570.29	**638.66**	**606.23**	**2,483.37**	**2,470.39**

2.09 Depreciation and amortization expense	QTR ended 30th June'20	QTR ended 30th June'19	QTR ended 31st Mar'20	YTD 31st Mar'20	YTD 31st Mar'19
Depreciation of property, plant and equipment	259.69	263.59	201.89	1,036.73	1,041.67
Depreciation of Right of Use leasehold Assets	45.58	76.49	111.79	228.26	-
Amortization of Intangible assets	0.25	0.20	0.15	0.82	0.05
	305.52	**340.28**	**313.83**	**1,265.81**	**1,041.72**

2.10 Other Expenses	QTR ended 30th June'20	QTR ended 30th June'19	QTR ended 31st Mar'20	YTD 31st Mar'20	YTD 31st Mar'19
Rent	3.91	1.59	0.87	5.33	119.93
Repairs to Building	0.15	0.81	0.13	3.86	7.30
Repairs to Others	-	0.03	0.03	0.15	2.06
Insurance	6.31	7.15	6.55	26.90	31.37
Rates & taxes	10.49	10.54	13.93	47.42	42.44
Travel and Conveyance	2.64	12.38	6.72	57.57	54.14
Legal and Professional Charges	49.37	48.03	62.07	223.83	219.27
Foreign Exchange loss (net)	0.15	0.35	11.88	24.78	6.40
Loss on Sale of Assets	-	-	-	3.21	105.30
Other Expenses	15.43	14.41	18.06	73.65	77.62
Bank Charges	0.38	0.04	0.09	0.13	9.04
	88.83	**95.33**	**120.33**	**466.83**	**674.85**

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

2019-2020

Independent Auditor's Report
To the Members of TBK Rangoli Tile Bath Kitchen Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of TBK Rangoli Tile Bath Kitchen Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss (including Other Comprehensive Income), 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, the aforesaid Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion.

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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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

When we read Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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Management's Responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the audit of the Financial Statements

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

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

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

- Obtain an understanding of internal 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.

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- 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.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure A"** a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2020 from being appointed as a director in terms of Section 164(2) of the Act

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f) In our opinion considering nature of business, size of operation and organisational structure of the entity, 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 March 31, 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.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the provisions of the Section are not applicable to the Company.

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

   i. The Company does not have any pending litigations as at March 31, 2020 which would impact its financial position.

   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 amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

CA Deepak Kumar Jain
Partner
UDIN: 20154390AAAAEH2928
M.No: 154390

Mumbai
Date: May 20,2020

Annexure-A to the Auditors' Report
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of TBK Rangoli Tile Bath Kitchen Private Limited)

1. **PROPERTY, PLANT AND EQUIPMENT**

   a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

   c. According to the information and explanation given to us and on the basis of our examination of the records, Company does not have any Immovable properties. Hence the paragraph 3(i) (c) of the Order is not applicable to the Company.

2. During the Operating cycle of Company, Management regularly conduct physical verification of finished traded goods which in our opinion is reasonable, having regard to the size and nature of the Company. The discrepancies noticed on such verification were not significant and the same have been properly dealt with in the books of account.

3. The Company has not granted any secured loans and unsecured loans to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence the paragraph 3(iii) of the Order is not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the Company has not made any investment, provided any Loan, security and guarantee, so provision of Section 185 and 186 of the Companies Act, 2013 is not applicable. The Company has not accepted any deposits from the public.

5. The Company has not accepted any deposits from the public.

6. The Company is in the business of trading, hence the paragraph 3(vi) of the Order is not applicable to the Company.

7. **STATUTORY DUES**

   a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including income Tax, goods and service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

   According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, goods and service tax cess and other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

   b. According to the information and explanations given to us, there are no material dues of income tax and goods and service tax which have not been deposited with the appropriate authorities on account of any dispute.

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8. In our opinion and according to the information and explanation given to us the Company has not taken loans or borrowings from any Bank or Financial Institution and therefore, the paragraph3 (viii) of the Order, is not applicable to the Company.

9. The Company have not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. According to the information and explanations give to us and based on our examination of the records of the Company, the provisions of Section 197 read with Schedule V to the Companies Act, 2013 is not applicable to Company.

12. 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.

13. 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 the Section 188 of the Companies Act, 2013. Details of transactions with the related parties have been disclosed in the Financial Statements as required by applicable Indian Accounting Standards. However, the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.

14. According the information and explanations given 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.

15. 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 him. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

CA Deepak Kumar Jain
Partner
UDIN: 20154390AAAAEH2928
M.No: 154390

Mumbai
Date: May 20,2020

Note 1: Significant Accounting Policies

Background

TBK Rangoli Tile Bath Kitchen Pvt. Ltd. is a subsidiary of **H. & R. Johnson (India) TBK Limited**, in the business of trading in Tiles, Bathroom Fittings & Kitchen.

Authorization of financial statements

The Financial Statements were authorized for issue in accordance with a resolution of the directors on 20th May 2020.

Summary of significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the presentation of the standalone financial statements.

A. Basis of Preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values.

B. Rounding of amounts

All amounts disclosed in the financial statement and notes have been rounded off to the nearest Rupees, except where otherwise indicated.

C. Current versus non-current classification

The Company presents its assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

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A liability is current when:

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

All other liabilities are classified as non-current.

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

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

D. Use of Judgements, estimates & assumptions

While preparing financial statements in conformity with Ind AS, the Company makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on the estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and Judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

a) Fair value of Financial Assets and Financial liabilities;
b) The useful lives of, or expected pattern of consumption of the future economic benefits embodied in, depreciable assets;
c) Valuation of inventories and Inventory obsolescence;
d) Provisions and Bad Debts;
e) Evaluation of recoverability of deferred tax assets; and
f) Contingencies.

E. Revenue Recognition

(i) Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods at which time all of the following conditions are satisfied:

- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns including allowances,trade discounts and volume rebates but does not include Goods & Service Tax (GST).

F. **Property, Plant and equipment**

a) Property, plant and equipment are stated at historical cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

b) When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Cost of major inspection is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of Profit or Loss as incurred.

c) An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net realizable value and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

d) The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted prospectively.

e) Free hold Land is not depreciated. Lease arrangements for land are identified as finance lease in case such arrangements result in transfer of the related risks and rewards to the Company.

f) Stores and Spares which meet the definition of property plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.

g) Depreciation on Property, Plant & Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Company has assessed the estimated useful lives of its property, plant and equipment and has adopted the useful lives and residual value as prescribed in Schedule II. The estimated useful life of assets are as follows:

Assets	Useful life of asset
Leasehold Improvements	7 years
Building	60 years
Generator	15 years
Electrical Installations	10 years

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Office Equipments	5 Years
Computer Equipments	3 Years
Furniture and fixtures	10 years
Vehicles	8 years
Assets acquired under the finance lease	Over the primary lease period and secondary lease period if renewable at nominal cost, if any

Depreciation on stores and spares specific to an item of property, plant and equipment is based on life of the related property, plant and equipment.

h) In line with the provisions of Schedule II of the Companies Act 2013, the Company depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components has been assessed based on the historical experience.

G. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit or Loss in the period in which the expenditure is incurred.

Cost of Software directly identified with hardware is capitalized along with the cost of hardware. Application software is capitalized as Intangible Asset.

Intangible assets with finite lives are amortized on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at each year end. The amortization expense on intangible assets with finite lives and impairment loss is recognised in the Statement of Profit and Loss.

Estimated lives for current and comparative periods in relation to application of straight line method of amortization of intangible assets (acquired) are as follows:

Assets	Useful life of asset
Software	3 years

H. Impairment of Assets

Carrying amount of Tangible and Intangible Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time

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value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's assets (cash-generating units). Non- financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

I. Inventories

Inventories are valued on weighted average cost or net realizable value whichever is lower after providing for cost of obsolescence and other anticipated losses, wherever considered necessary.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

J. Trade Receivable

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

Trade receivables expected in one year or less, they are classified as current assets. If not they are presented as non-current assets.

K. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown with in borrowings in current liabilities in the Balance Sheet.

L. Share Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

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M. Financial Instruments

Financial Assets

Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit or loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are either recorded in statement of profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) 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. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 – Revenue, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

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Equity instruments

The company subsequently measures all equity investments at fair value. Dividends from such investments are recognised in statement of profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss.

(iii) Derecognition

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

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

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend income

Dividends are recognised in statement of profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, financial guarantee contracts or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

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The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

(ii) **Subsequent measurement**

All financial liabilities are subsequently measured at amortised cost using effective interest method or at FVTPL. The subsequent measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished and the consideration paid is recognised in statement of profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Trade payables

These amounts represent liabilities for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method

Financial guarantee contracts

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

(iii) **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iv) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other Income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

N. 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 asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

The Company ceases capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

O. Provisions, Contingent liabilities, Contingent Assets

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the company recognizes any impairment loss on the assets associated with that contract.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the company.

Contingent liabilities are disclosed in the case of:

- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from the past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent Assets is disclosed when inflow of economic benefits is probable.

Contingent Liabilities in respect of show-cause notices are considered only when converted into demands.

P. Gratuity

Provision for liability on account of gratuity obligation is made as per the method stipulated in the Payment of Gratuity Act, 1972.

Q. Taxes on Income

Current Tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax are recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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CHARTERED ACCOUNTANTS

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets 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 deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

R. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

S. Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.
The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April 2019. The Company also elected to use the recognition exemptions for lease contracts.
The Company assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

use the underlying assets.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

T. Fair Value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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:

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED
CIN : U74120MH2010PTC209560

REGISTERED OFFICE : GROUND FLOOR, KADDIYA WADI, AZAD ROAD NEAR FIRE BRIGADE STATION, VILE PARLE (EAST) MUMBAI MH 400057

STATEMENT OF ASSETS & LIABILITIES AS AT MARCH 31, 2020

Amount in ₹

Sr. No.	Particulars	Audited Year Ended as at 31-Mar-20	Audited Year Ended as at 31-Mar-19
A	**ASSETS**		
1	**Non Current Assets :**		
(a)	Property, Plant and Equipment	5,28,046	8,33,068
(b)	Financial Assets		
(i)	Loans	500	500
(c)	Other non-current assets	-	-
	Total	5,28,546	8,33,568
2	**Current Assets :**		
(a)	Inventories	-	15,48,590
(b)	Financial Assets		
(i)	Trade receivables	5,00,360	9,67,568
(ii)	Cash and cash equivalents	99,587	45,349
(iii)	Bank balances other than (ii) above	1,00,000	-
(c)	Other current assets	96,544	3,96,310
	Total	7,96,491	29,57,817
	Total Assets	13,25,037	37,91,386
B	**EQUITY AND LIABILITIES**		
1	**Equity :**		
(a)	Equity Share Capital	1,00,000	1,00,000
(b)	Other Equity	(2,54,93,876)	(2,49,32,202)
	Total	(2,53,93,876)	(2,48,32,202)
2	**Liabilities :**		
I	**Non Current Liabilities :**		
(a)	Financial Liabilities		
(i)	Borrowings	88,50,000	88,50,000
(b)	Provisions	-	-
	Total	88,50,000	88,50,000
II	**Current Liabilities :**		
(a)	Financial Liabilities		
(i)	Trade payables	1,40,16,434	1,45,08,696
(ii)	Other financial liabilities	38,52,478	49,85,515
(b)	Other current liabilities	-	2,79,377
	Total	1,78,68,912	1,97,73,588
	Total Equity and Liabilities	13,25,037	37,91,386

Note :

1 Figures of the previous year have been regrouped wherever necessary.

For Borkar & Muzumdar
Chartered accountants
(Firm Registration No. 101569W)

Deepak Kumar Jain
Partner
Membership No. 154390

Place : Mumbai
Date : May 20, 2020

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
TBK Rangoli Tile Bath Kitchen Private Limited

Sandeep Kumar Sharma
Director
DIN - 06647712

Anoop Sreekumar
Director
DIN - 03404325

Place : Thane
Date : May 20, 2020

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED
CIN : U74120MH2010PTC209550

REGISTERED OFFICE : GROUND FLOOR, KADDIYA WADI, AZAD ROAD NEAR FIRE BRIGADE STATION, VILE PARLE (EAST) MUMBAI MH 400057

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

Amount in ₹

Sr. No.	Particulars	Standalone Quarter Ended			Standalone Year Ended	
		31-Mar-20 Audited	31-Dec-19 Unaudited	31-Mar-19 Audited	31-Mar-20 Audited	31-Mar-19 Audited
1	Income from operations :					
(a)	Net Sales	8,20,601	1,27,218	48,04,444	19,44,160	2,73,01,187
(b)	Other Income from operations	-	-	-	-	-
	Total income from operations	8,20,601	1,27,218	48,04,444	19,44,160	2,73,01,187
2	Expenses :					
(a)	Cost of materials consumed	-	-	-	-	-
(b)	Purchases of stock-in-trade	-	(0)	44,24,291	(3,399)	2,31,06,014
(c)	Stores and spares consumed	-	-	-	-	-
(d)	Power & fuel	-	-	-	-	-
(e)	Excise Duty	-	-	-	-	-
(f)	Employee benefits expense	-	-	1,92,048	10,500	22,98,024
(g)	Freight outward	-	-	-	-	-
(h)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	5,54,117	-	(7,44,625)	15,48,500	(5,68,047)
(i)	Depreciation and amortisation expense	75,211	76,882	78,543	3,05,023	3,05,074
(j)	Other expenses	3,06,739	91,241	7,50,708	6,45,111	19,51,597
	Total Expenses	9,36,067	1,68,123	46,99,065	25,06,024	2,71,94,662
3	Profit / (Loss) from operations before Other Income, Finance cost and Exceptional Items (1-2)	(1,15,466)	(40,905)	1,05,379	(5,61,874)	2,06,525
4	Other Income	-	-	-	-	-
5	Profit from ordinary activities before Finance cost and Exceptional items (3+4)	(1,15,466)	(40,905)	1,05,379	(5,61,874)	2,06,525
6	Finance cost	-	-	1,96,397	-	7,96,499
7	Profit / (Loss) from ordinary activities before Exceptional items (5-6)	(1,15,466)	(40,905)	(91,018)	(5,61,874)	(5,89,974)
8	Exceptional items ;	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before Tax (7(+/-)8)	(1,15,466)	(40,905)	(91,018)	(5,61,874)	(5,89,974)
10	Tax expenses	-	-	-	-	-
11	Net Profit / (Loss) for the period (9-10)	(1,15,466)	(40,905)	(91,018)	(5,61,874)	(5,89,974)
12	Other Comprehensive Income (net of tax)	-	-	-	-	-
13	Total Comprehensive Income (after tax) (11+12)	(1,15,466)	(40,905)	(91,018)	(5,61,874)	(5,89,974)
14	Paid-up Equity Share Capital (Face value ₹ 10/- per share)	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000
15	Networth				(2,53,93,876)	(2,48,32,202)
16	Earning Per Share - (Basic, diluted and not annualised) (₹)	(11.55)	(4.09)	(9.10)	(56.17)	(59.00)

Notes :

1. Results for the quarter and year ended March 31, 2020 and for the quarter ended December 31, 2019 are in compliance with Indian Accounting Standard (Ind AS). The results for the quarter and year ended March 31, 2019 have been restated to comply with Ind AS.
2. Figures for the previous periods have been regrouped wherever necessary

For Borkar & Muzumdar
Chartered accountants
(Firm Registration No. 101569W)

Deepak Kumar Jain
Partner
Membership No. 154390

Place : Mumbai
Date : May 20, 2020

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
TBK Rangoli Tile Bath Kitchen Private Limited

Sandeep Kumar Sharma
Director
DIN - 06547712

Anoop Bratkumar
Director
DIN - 03404325

Place : Thane
Date : May 20, 2020

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

Balance Sheet as at March 31, 2020

(Amount in ₹)

		Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
I		**ASSETS**			
	1	**Non Current Assets**			
		a. Property, Plant and Equipment	2	5,28,048	8,33,068
		b. Capital work-in-progress		-	-
		c. Investment Property		-	-
		d. Goodwill		-	-
		e. Other Intangible assets	2	-	-
		f. Intangible assets under development		-	-
		g. Biological Assets other than bearer plants		-	-
		h. Financial Assets		-	-
		(i) Investments		-	-
		(ii) Trade receivables		-	-
		(iii) Loans	3	500	500
		(iv) Other Financial Assets (to be specified)		-	-
		i. Deferred tax assets (net)		-	-
		j. Other non-current assets		-	-
		Total Non Current Assets		5,28,548	8,33,568
	2	**Current Assets**			
		a. Inventories	4	-	15,48,590
		b. Financial Assets		-	-
		(i) Investments		-	-
		(ii) Trade receivables	5	5,00,360	9,67,568
		(iii) Cash and cash equivalents	6	99,587	45,349
		(iv) Bank balances other than (iii) above	7	1,00,000	-
		(v) Loans		-	-
		(vi) Others Financial Assets (to be specified)		-	-
		c. Current Tax Assets (Net)		-	-
		d. Other current assets	8	96,544	3,96,310
		Total Current Assets		7,96,491	29,57,817
		Total Assets		13,25,037	37,91,386
II		**EQUITY AND LIABILITIES**			
	1	**Equity**			
		a. Equity Share Capital	9	1,00,000	1,00,000
		b. Other Equity	10	(2,54,93,876)	(2,49,32,202)
		Total Equity		(2,53,93,876)	(2,48,32,202)
		Liabilities			
	2	**Non Current Liabilities**			
		a. Financial Liabilities			
		(i) Borrowings	11	88,50,000	88,50,000
		(ii) Trade payables		-	-
		(iii) Other financial liabilities (to be specified)		-	-
		b. Provisions		-	-
		c. Deferred tax liabilities (Net)		-	-
		d. Other non-current liabilities		-	-
		Total Non Current Liabilities		88,50,000	88,50,000
	3	**Current Liabilities**			
		a. Financial Liabilities			
		(i) Borrowings		-	-
		(ii) Trade payables		-	-
		Total outstanding dues of Micro Enterprises & Small Enterprises		-	-
		Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	12	1,40,16,434	1,45,08,696
		(iii) Other financial liabilities (to be specified)	13	38,52,478	49,85,515
		b. Other current liabilities	14	-	2,79,377
		c. Provisions		-	-
		d. Current Tax Liabilities (Net)		-	-
		e. Liabilities directly associated with assets classified as held for sale		-	-
		Total Current Liabilities		1,78,68,912	1,97,73,588
		Total Equity and Liabilities		13,25,037	37,91,386
		Summary of Significant accounting policies	1		

Refer accompanying notes. These notes are an integral part of the financial statements

As per our report of even date
For Borkar & Muzumdar
Chartered Accountants
Firm Registration No.101569W

Deepak Kumar Jain
Partner
Membership No. 154390

Place : Mumbai
Date : May 20, 2020

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
TBK Rangoli Tile Bath Kitchen Private Limited

Sandeep Kumar Sharma
Director
DIN - 06647712

Anoop Sreekumar
Director
DIN - 03404325

Place : Thane
Date : May 20, 2020

TBK Rangoli Tile Bath Kitchen Private Limited

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

Statement of Profit & Loss for the period ended March 31, 2020

(Amount in ₹)

	Particulars	Note No	Year ended March 31, 2020	Year ended March 31, 2019
I.	Revenue from operations	15	10,44,160	2,73,01,187
II.	Other Income		-	-
III.	Total Income (I+II)		10,44,160	2,73,01,187
IV.	Expenses:			
	Cost of materials consumed			
	Purchases of Stock-in-Trade	16	(3,390)	2,31,98,014
	Changes in inventories of stock-in-Trade	17	15,48,590	(5,66,047)
	Excise duty on sales of goods		-	-
	Manufacturing expenses		-	-
	Employee benefits expense	18	10,600	22,98,024
	Finance costs	19	-	7,96,499
	Depreciation and amortization expense	2	3,05,023	3,05,074
	Impairment loss on financial assets		-	-
	Impairment on non-current assets		-	-
	Other expenses	20	6,45,111	19,51,597
	Total expenses (IV)		25,06,824	2,79,91,161
V.	Profit / (loss) before exceptional and tax (III-IV)		(5,61,674)	(5,89,974)
VI.	Exceptional items			-
VII.	Profit / (loss) before tax (V-VI)		(5,61,674)	(5,89,974)
VIII.	Tax expense:			
	- Current tax		-	-
	- Minimum Alternate Tax		-	-
	- Income Tax of earlier years		-	-
	- Deferred tax		-	-
			-	-
IX.	Profit (Loss) for the period from continuing operations (VII-VIII)		(5,61,674)	(5,89,974)
X.	Profit / (loss) for the period from discontinued operations before tax		-	-
XI.	Tax expense of discontinuing operations		-	-
XII.	Profit/(loss) from Discontinuing operations (after tax) (X-XI)		-	-
XIII.	Profit (Loss) for Period (IX+XII)		(5,61,674)	(5,89,974)
XIV.	Other Comprehensive Income			
	a (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	b (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV.	Total other comprehensive income		-	-
XVI.	Total Comprehensive Income for the Period (XIII+XV)		(5,61,674)	(5,89,974)
XVII.	Earnings per equity share (for continuing operations) :			
	- Basic (in Rs.)		(56.17)	(59.00)
	- Diluted (in Rs.)		(56.17)	(59.00)
	Earnings per equity share (for discontinued operations) :			
	- Basic (in Rs.)		-	-
	- Diluted (in Rs.)		-	-
	Earnings per equity share (for discontinued and continuing operations) :			
	- Basic (in Rs.)		(56.17)	(59.00)
	- Diluted (in Rs.)		(56.17)	(59.00)
Significant Accounting Policies		1		

Refer accompanying notes. These notes are an integral part of the financial statements

As per our report of even date
For Borkar & Muzumdar
Chartered Accountants
Firm Registration No.101569W

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

Deepak Kumar Jain
Partner
Membership No. 154390

Place : Mumbai
Date : May 20, 2020

For and on behalf of the Board of Directors
TBK Rangoli Tile Bath Kitchen Private Limited

Sandeep Kumar Sharma
Director
DIN - 06647712

Anoop Sreekumar
Director
DIN - 05404326

Place : Thane
Date : May 20, 2020

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

Cash Flow Statement for the year ended March 31, 2020

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from operating activities		
Profit Before Tax from Continuing Operations	(5,81,674)	(5,89,074)
Profit Before Tax from Discontinuing Operations		-
Profit before income tax including discontinued operations	(5,81,674)	(5,89,974)
Non-cash Adjustment to Profit Before Tax:		
Depreciation and amortization expense	3,05,023	3,05,074
Gain on disposal of property, plant and equipment	-	-
Dividend and interest income classified as investing cash flows	-	-
Finance costs	-	7,96,499
	(2,66,651)	5,11,599
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	4,67,208	4,76,904
Decrease/(increase) in inventories	15,48,590	(5,66,047)
Increase/(decrease) in trade payables	(4,02,261)	(7,43,514)
Decrease/(increase) in other current assets	2,99,766	9,50,639
Increase/(decrease) in other financial Liabilities	1,66,963	(1,62,130)
Increase/(decrease) in other current liabilities	(2,79,377)	(5,58,415)
Cash generated from operations	14,54,238	(80,963)
Direct taxes paid (net of refunds)	-	-
Net cash flow from/(used in) operating activities (A)	14,54,238	(80,963)
Cash flow from investing activities		
Payments for acquisition of property, plant and equipment	-	(6,750)
Payments for purchase of investments	-	-
Payments for software development costs	-	-
Investment in Fixed Deposit	(1,00,000)	-
Proceeds from sale of property, plant and equipment	-	-
Interest received	-	-
Net cash flow from/(used in) investing activities (B)	(1,00,000)	(6,750)
Cash flows from financing activities		
Proceeds from borrowings	-	-
Repayments of borrowings	-	-
Interest paid	(13,00,000)	(79,649)
Dividends paid to equity shareholders	-	-
Net cash flow from/(used in) in financing activities (C)	(13,00,000)	(79,649)
Net increase/(decrease) in cash and cash equivalents (A+B+ C)	54,238	(1,67,362)
Effect of exchange differences on cash & cash equivalent held in foreign currency		-
Cash and cash equivalents at the beginning of the year	45,349	2,12,712
Cash and cash equivalents at the end of the year	99,587	45,350
Non-cash financing and investing activities	-	-
Acquisition of property, plant and equipment by means of finance lease	-	-
	-	-
Reconciliation of cash and cash equivalents as per the cash flow statement :		
Cash and cash equivalents	99,587	45,349
Balance as per the cash flow statement :	99,587	45,349
Significant accounting policies 1		

As per our report of even date
For Borkar & Muzumdar
Chartered Accountants
Firm Registration No.101569W

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

Deepak Kumar Jain
Partner
Membership No. 154390

Place : Mumbai
Date : May 20, 2020

For and on behalf of the Board of Directors
TBK Rangoli Tile Bath Kitchen Private Limited

Sandeep Kumar Sharma
Director
DIN - 06647712

Anoop Sreekumar
Director
DIN - 03404325

Place : Thane
Date : May 20, 2020

TBK Rangoli Tile Bath Kitchen Private Limited

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

Statement of changes in Equity for the period ended Mar 31, 2020

Equity share capital	Amount
Balance at March 31, 2019	1,00,000
Changes in equity share capital during the year	
Balance at March 31, 2020	1,00,000

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK Rangoli Tile Bath Kitchen Private Limited

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

Statement of changes in equity for the year ended Mar 31, 2020 - continued

Other equity	Reserves and Surplus				Items of Other Comprehensive Income		Total
	Capital Redemption reserve	Debenture redemption reserve	General reserve	Retained earnings	Remeasurements of the defined benefit plans	Items of Other Comprehensive Income (specify nature)	
Balance at April 1, 2019	-	-	-	(2,49,32,202)	-	-	(2,49,32,202)
Profit / (Loss) for the year	-	-	-	(5,61,674)	-	-	(5,61,674)
Other comprehensive income	-	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(2,54,93,876)	-	-	(2,54,93,876)
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-
Balance at Mar 31, 2020	-	-	-	(2,54,93,876)	-	-	(2,54,93,876)

2 Property, plant and equipment :

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2019	Addition	Disposal	Other Adjustments	As at Mar 31, 2020	As at April 1, 2019	For the Year	Elimination on disposal	Other adjustments	As at Mar 31, 2020	As at Mar 31, 2020	As at March 31, 2019
Own Assets:												
Leasehold Improvements	19,32,127	-	-	-	19,32,127	19,32,127	-	-	-	19,32,127	-	-
Computers	9,812	-	-	-	9,812	579	-	-	-	579	9,234	9,234
Furniture, Fixtures	20,10,021	-	-	-	20,10,021	12,02,673	3,00,683	-	-	15,03,356	5,06,665	8,07,348
Office Equipment	59,789	-	-	-	59,789	43,302	4,340	-	-	47,642	12,147	16,487
Total	40,11,750	-	-	-	40,11,750	31,78,681	3,05,023	-	-	34,83,704	5,28,046	8,33,068

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2018	Addition	Disposal	Other Adjustments	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	Other adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Own Assets:												
Leasehold Improvements	19,32,127	-	-	-	19,32,127	19,32,127	-	-	-	19,32,127	-	-
Computers	9,812	-	-	-	9,812	579	-	-	-	579	9,234	9,234
Furniture, Fixtures	20,03,271	6,750	-	-	20,10,021	9,02,206	3,00,467	-	-	12,02,673	8,07,348	11,01,065
Office Equipment	59,789	-	-	-	59,789	38,695	4,608	-	-	43,302	16,487	21,094
Total	40,05,000	6,750	-	-	40,11,750	28,73,607	3,05,074	-	-	31,78,681	8,33,068	11,31,393

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

Note : 3 Non-current assets - Loans

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Security Deposits	500	500
Total	500	500

Note : 4 Inventories

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Stock of Traded Goods	-	15,48,590
Total	-	15,48,590

Note : 5 Trade Receivables

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Secured, considered good		
Unsecured - Considered Good	5,77,855	10,45,063
Doubtful	-	-
	5,77,855	10,45,063
Less: Allowable for doubtful debts (expected credit loss)	(77,495)	(77,495)
Total	5,00,360	9,67,568

Note : 6 Cash and Cash Equivalents

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Cash in hand	-	7,199
Balances with banks	99,587	38,150
Total	99,587	45,349

Note : 7 Bank balances other than above

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Fixed Deposit with Bank	1,00,000	-
Total	1,00,000	-

Note : 8 Other Current Assets

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Advance to creditors	4,438	54,689
GST receivable	92,106	3,27,426
TDS Receivable	-	13,877
Prepaid Expenses	-	318
Total	96,544	3,96,310

Note : 9 Share Capital

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
<u>Authorised</u>		
Equity Shares of ₹10 each (previous year: 10,000 Equity Shares of ₹ 10 each)	1,00,000	1,00,000
TOTAL	1,00,000	1,00,000
<u>Issued & Subscribed & Paid up</u>		
Equity Shares of ₹10 each (previous year: 10,000 Equity Shares of ₹ 10 each)	1,00,000	1,00,000
Total	1,00,000	1,00,000

a) Reconciliation of number of Shares outstanding

Particulars	As at 31-03-2020	As at 31-3-2019
Shares outstanding at the beginning of the year	10,000	10,000
Share issue during the year	-	-
Shares outstanding at the end of the year	10,000	10,000

BORKAR & MUZUMDAR
MUMBAI
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CHARTERED ACCOUNTANTS

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

b) Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is entitled to one vote per equity share. The shareholders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the company in proporation to thier shareholding after distribution of all preferential amounts.

c) Details of shares held by Holding Company:

Name of Shareholder	As at 31-03-2020		As at 31-03-2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
H. & R. Johnson (India) TBK Ltd	10,000	100	10,000	100

Note : 10 Other Equity

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Surplus		
Opening balance	(2,49,32,202)	(2,43,42,228)
Profit / (Loss) for the year	(5,61,674)	(5,89,974)
Total	**(2,54,93,876)**	**(2,49,32,202)**

Note : 11 Non Current Financial Liabilities - Borrowings

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Unsecured		
Loans and advances from related parties (Repayment by December 31, 2021)	88,50,000	88,50,000
Total	**88,50,000**	**88,50,000**

Note : 12 Trade Payables

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Trade Payables	1,40,16,434	1,45,08,696
Total	**1,40,16,434**	**1,45,08,696**

Note : 13 Other Current Financial Liabilities

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Interest accrued but not due on borrowings	35,93,819	48,93,819
Payable for Expenses	2,58,659	91,696
Total	**38,52,478**	**49,85,515**

Note : 14 Other Current Liabilities

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Statutory Liabilities	-	31,700
Advance received from Customers	-	2,47,678
Total	**-**	**2,79,377**

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK Rangoli Tile Bath Kitchen Private Limited

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

Note : 15 Revenue from Operations

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Sales of products	15,00,839	2,69,34,033
Other operating revenue	3,43,311	4,57,154
Total	**18,44,150**	**2,73,91,187**

Note : 16 Purchase of Stock in Trade

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Materials Purchases	(3,399)	2,31,96,014
Total	**(3,399)**	**2,31,96,014**

Note : 17 Changes in Inventories of Stock-in-Trade

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Closing Stock (including In Transit)		
Closing Traded Stock	-	15,48,590
Less : Opening Stock (including In Transit)		
Opening Traded Stock	15,48,590	9,82,543
Total	**15,48,590**	**(5,66,047)**

Note : 18 Employee Benefit Expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries,wages and bonus	10,500	21,79,252
Staff welfare expenses	-	1,18,772
Total	**10,500**	**22,98,024**

Note : 19 Finance Cost

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest Expense	-	7,96,499
Total	**-**	**7,96,499**

Note : 20 Other Expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rent	2,20,000	2,40,000
Bank Charges	6,183	45,369
Power & Fuel	36,466	6,22,370
Advertisement, Sales Promotion & Marketing Expenses	-	1,70,179
Traveling & Other Incidental Expenses	2,946	1,40,028
Communication Expenses	-	35,605
Repairs & Maintenance	130	2,60,546
Insurance	27,594	28,104
Printing & Stationery	6,400	17,646
Bad Debts Written Off	800	-
Auditors Remuneration - as auditor	18,712	40,000
- for other services	-	22,500
- for reimbursement of expenses	1,012	2,259
Legal, Professional & Consultancy Charges	58,000	2,27,000
Miscellaneous Expenses	2,65,867	98,164
Total	**6,45,111**	**19,51,697**

BORKAR & MUZUMDAR
MUMBAI
F. R. NO.
101569W
CHARTERED ACCOUNTANTS

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

Note 21: EARNINGS PER SHARE

(Amount in₹)

Particulars	As At March 31,2020	As At March 31,2019
Profit / (Loss) for the year	(5,61,674)	(5,89,974)
Weighted Average Number of Equity Shares	10,000	10,000
Nominal value of shares	10	10
Basic Earnings / (Loss) Per Share	(56.17)	(59.00)

Note 22:

The disclosure in respect of the amounts payable to such micro, small and medium enterprises as at March 31, 2020 has been made basis of information received from suppliers.

Note 23:

The company has reversed gratuity liability amounting to Nil (P.Y reversed. Nil) on the method stipulated under the Payment of Gratuity Act, 1972. The company does not offer any other benefits to its employees.

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

Note 24: RELATED PARTY DISCLOSURE

a) Name of Related Parties

Parent Company

1 Prism Johnson Limited

Enterprises under common control

1 TBK Deziner's Home Private Limited - (upto - 24/06/2019)
2 TBK Florance Ceramics Private Limited.
3 TBK Krishna Tile Bath Kitchen Private Limited - (upto - 21/06/2019)
4 TBK PB Shah Tile Bath Kitchen Private Limited. - (upto - 21/03/2020)
5 TBK Prathap Tile Bath Kitchen Private Limited
6 TBK Deepgiri Tile Bath Kitchen Private Limited
7 TBK Rathi Sales Agenceis Private Limited - (upto - 14/11/2019)
8 TBK Samiyaz Tile Bath Kitchen Private Limited
9 TBK Sanitary Sales Private Limited
10 TBK Unique Jalgaon Tile Bath Kitchen Private Limited
11 TBK Venkataramiah Tile Bath Kitchen Private Limited
12 TBK Rishi Ceramics Private Limited - (upto - 23/10/2019)
13 TBK Aishwarya Tile Bath Kitchen Private Limited - (upto - 24/10/2019)
14 TBK Shree Ganesh Traders Private Limited - (upto - 14/11/2019)
15 TBK Home Trends Private Limited - (upto - 19/10/2019)
16 TBK Rajkamal Tile Bath Kitchen Private Limited - (upto - 24/06/2019)
17 TBK Solan Ceramics Private Limited - (upto - 23/08/2019)
18 Ardex Endura (India) Private Limited.

Holding Company

1 H & R Johnson (India) TBK Ltd.

b) Transactions entered with the related party during the year.

(Amount in ₹)

Particulars	Enterprise Under Common Control	Associate Concern	Parent Company	Key Management Personnel	Holding Company	Relative of Key Management Personnel
Purchase of Goods - H & R Johnson (India) TBK Ltd.	-	-	-	-	-	-
	-	-	-	-	(1,00,390)	-
Sales of Goods - H & R Johnson (India) TBK Ltd.	-	-	-	-	15,18,267	-
	-	-	-	-	-	-
Purchase of Goods-Prism Johnson Limited	-	-	-	-	-	-
	-	-	(1,92,18,387)	-	-	-
Rent Paid -Prism Johnson Limited	-	-	2,59,600	-	-	-
	-	-	(2,83,200)	-	-	-
Commission & Incentive & other Income - Prism Johnson Limited	-	-		-	-	-
	-	-	(1,19,256)	-	-	-
Reimbursement-Prism Johnson Ltd	-	-	2,45,085	-	-	-
	-	-	(37,730)	-	-	-
Interest on unsecured loan - H & R Johnson (India) TBK Ltd.	-	-	-	-	-	-
	-	-	-	-	(7,96,499)	-

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

c) The details of balance as at March 31, 2020

(Amount in ₹)

Sr. No.	Name	Nature of Relationship	Nature of Payment / Receipts	As at March 31, 2020
1	H & R Johnson (India) TBK Limited	Holding Company	Unsecured Loan	88,50,000 (88,50,000)
2	H & R Johnson (India) TBK Limited	Holding Company	Interest Accured on Loan	35,93,819 (48,93,819)
3	Prism Johnson Limited	Parent Company	Purchase of goods	1,40,16,434 (1,34,34,843)
4	H & R Johnson (India) TBK Limited	Holding Company	Purchase and sale of goods & services	- (98,273)

Note 25:

The balances of Sundry debtors and Creditors are subject to confirmation.The Directors are of the Opinion that no asset is likely to be realized for an amount less than the amount at which it is recorded in the financial statements as at March 31, 2020 except for those which management has identified and classified as doubtful for recovery.

Note 26: Note on Proposed Scheme of Amalgamation

The Board of Directors of the company had approved on October 23, 2019 the Composite Scheme of Arrangement and Amalgamation amongst Prism Johnson Limited ("PJL"), Milano Bathroom Fittings Private Limited ("Milano"), Silica Ceramica Private Limited ("Silica"), H. & R. Johnson (India) TBK Limited ("HRJTBK"), TBK Samiyaz Tile Bath Kitchen Private Limited ("TBK Samiyaz"), and TBK Venkataramiah Tile Bath Kitchen Private Limited ("TBK Venkat") which has been filed before the NCLT, Hyderabad.

The Company will be demerged entity after scheme is approved and retail / trading business unit will be taken over by HRJTBK. The statutory approvals for the proposed scheme are awaited and no impact of the same has been provided in the financials of the Company for the year ended March 31, 2020

Note 27: Note on COVID-19

The World Health Organisation announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24.2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been further extended till May,2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management has made assessment of the impact of COVID-19 on the company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements.

Accordingly no adjustments have been made to the financial statements.

Note 28:

Previous year figures have been recast, regrouped and reclassified to make them comparable with the current year figures.

As per our report of even date
For Borkar & Muzumdar
Chartered Accountants
Firm Registration No.101569W

Deepak Kumar Jain
Partner
Membership No. 15435

Place : Mumbai
Date : May 20,2020

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
TBK Rangoli Tile Bath Kitchen Private Limited

Sandeep Kumar Sharma
Director
DIN - 06647712

Anoop Sreekumar
Director
DIN - 03404325

Place : Thane
Date : May 20,2020

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

Balance Sheet as at June 30, 2020

(Amount in ₹)

	Particulars	Note No.	As at June 30, 2020	As at June 30, 2019	As at March 31, 2020	As at March 31, 2019
I	**ASSETS**					
1	**Non Current Assets**					
	a. Property, Plant and Equipment	2	4,52,348	7,57,022	5,28,046	8,33,068
	b. Capital work-in-progress		-	-	-	-
	c. Investment Property		-	-	-	-
	d. Goodwill		-	-	-	-
	e. Other intangible assets	2	-	-	-	-
	f. Intangible assets under development		-	-	-	-
	g. Biological Assets other than bearer plants		-	-	-	-
	h. Financial Assets		-	-	-	-
	(i) Investments		-	-	-	-
	(ii) Trade receivables		-	-	-	-
	(iii) Loans	3	500	500	500	500
	(iv) Other Financial Assets (to be specified)		-	-	-	-
	i. Deferred tax assets (net)		-	-	-	-
	j. Other non-current assets		-	-	-	-
	Total Non Current Assets		4,52,848	7,57,522	5,28,546	8,33,568
2	**Current Assets**					
	a. Inventories	4	-	11,04,441	-	15,48,590
	b. Financial Assets		-	-	-	-
	(i) Investments		-	-	-	-
	(ii) Trade receivables	5	5,00,360	6,01,724	5,00,360	9,67,568
	(iii) Cash and cash equivalents	6	97,769	2,60,970	99,587	45,349
	(iv) Bank balances other than (iii) above	7	1,00,000	-	1,00,000	-
	(v) Loans		-	-	-	-
	(vi) Others Financial Assets (to be specified)		-	-	-	-
	c. Current Tax Assets (Net)		-	-	-	-
	d. Other current assets	8	99,640	3,82,121	96,544	3,96,310
	Total Current Assets		7,97,769	23,49,256	7,96,491	29,57,817
	Total Assets		12,50,617	31,06,778	13,25,037	37,91,385
II	**EQUITY AND LIABILITIES**					
1	**Equity**					
	a. Equity Share Capital	9	1,00,000	1,00,000	1,00,000	1,00,000
	b. Other Equity	10	(2,55,89,520)	(2,52,42,613)	(2,54,93,875)	(2,49,32,202)
	Total Equity		(2,54,89,520)	(2,51,42,613)	(2,53,93,875)	(2,48,32,202)
	Liabilities					
2	**Non Current Liabilities**					
	a. Financial Liabilities					
	(i) Borrowings	11	88,50,000	88,50,000	88,50,000	88,50,000
	(ii) Trade payables		-	-	-	-
	(iii) Other financial liabilities (to be specified)		-	-	-	-
	b. Provisions		-	-	-	-
	c. Deferred tax liabilities (Net)		-	-	-	-
	d. Other non-current liabilities		-	-	-	-
	Total Non Current Liabilities		88,50,000	88,50,000	88,50,000	88,50,000
3	**Current Liabilities**					
	a. Financial Liabilities					
	(i) Borrowings		-	-	-	-
	(ii) Trade payables		-	-	-	-
	Total outstanding dues of Micro Enterprises & Small Enterprises		-	-	-	-
	Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	12	1,40,34,534	1,43,02,036	1,40,16,434	1,45,08,095
	(iii) Other financial liabilities (to be specified)	13	38,55,603	49,49,715	38,52,478	49,85,615
	b. Other current liabilities	14	-	1,47,641	-	2,79,377
	c. Provisions		-	-	-	-
	d. Current Tax Liabilities (Net)		-	-	-	-
	e. Liabilities directly associated with assets classified as held for sale		-	-	-	-
	Total Current Liabilities		1,78,90,137	1,93,99,391	1,78,68,912	1,97,73,087
	Total Equity and Liabilities		12,50,617	31,06,778	13,25,037	37,91,385
	Summary of Significant accounting policies	1				

Refer accompanying notes. These notes are an integral part of the financial statements

For and on behalf of the Board of Directors
TBK Rangoli Tile Bath Kitchen Private Limited

Vinod Garg
Director
DIN - 08574052

Anoop Sreekumar
Director
DIN - 03404325

Place : Thane
Date : Jul 29, 2020

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED
Statement of Profit & Loss for the period ended June 30, 2020

(Amount in ₹)

	Particulars	Note No	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
I.	Revenue from operations	15	-	2,50,964	19,44,150	2,73,91,187
II.	Other income		-	-	-	-
III.	Total income (I+II)		-	2,50,964	19,44,150	2,73,91,187
IV.	Expenses:					
	Cost of materials consumed					
	Purchases of Stock-in-Trade	16	-	(7,046)	(3,399)	2,31,60,614
	Changes in inventories of stock-in-Trade	17	-	3,44,149	15,46,590	(5,66,047)
	Excise duty on sales of goods		-	-	-	-
	Manufacturing expenses		-	-	-	-
	Employee benefits expense	18	-	10,500	10,500	22,89,024
	Finance costs	19	-	-	-	7,90,499
	Depreciation and amortization expense	2	75,728	76,047	3,05,023	3,06,074
	Impairment loss on financial assets		-	-	-	-
	Impairment on non-current assets		-	-	-	-
	Other expenses	20	19,917	1,37,724	8,45,111	19,51,557
	Total expenses (IV)		95,645	5,61,374	25,05,824	2,79,81,161
V.	Profit / (loss) before exceptional and tax (III-IV)		(95,645)	(3,10,411)	(5,61,674)	(5,89,974)
VI.	Exceptional items					-
VII.	Profit / (loss) before tax (V-VI)		(95,645)	(3,10,411)	(5,61,674)	(5,89,974)
VIII.	Tax expense					
	- Current tax		-	-	-	-
	- Minimum Alternate Tax		-	-	-	-
	- Income Tax of earlier years		-	-	-	-
	- Deferred tax		-	-	-	-
			-	-	-	-
IX.	Profit (Loss) for the period from continuing operations (VII-VIII)		(95,645)	(3,10,411)	(5,61,674)	(5,89,974)
X.	Profit / (loss) for the period from discontinued operations before tax		-	-	-	-
XI.	Tax expense of discontinuing operations		-	-	-	-
XII.	Profit/(loss) from Discontinuing operations (after tax) (X-XI)		-	-	-	-
XIII.	Profit (Loss) for Period (IX+XII)		(95,645)	(3,10,411)	(5,61,674)	(5,89,974)
XIV.	Other Comprehensive Income					
	a (i) Items that will not be reclassified to profit or loss		-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-	-
	b (i) Items that will be reclassified to profit or loss		-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-	-
XV.	Total other comprehensive income		-	-	-	-
XVI.	Total Comprehensive Income for the Period (XIII+XV)		(95,645)	(3,10,411)	(5,61,674)	(5,89,974)
XVII.	Earnings per equity share (for continuing operations)					
	- Basic (in Rs.)		(9.56)	(31.04)	(56.17)	(59.00)
	- Diluted (in Rs.)		(9.56)	(31.04)	(56.17)	(59.00)
	Earnings per equity share (for discontinued operations) :					
	- Basic (in Rs.)		-	-	-	-
	- Diluted (in Rs.)		-	-	-	-
	Earnings per equity share (for discontinued and continuing operations) :					
	- Basic (in Rs.)		(9.56)	(31.04)	(56.17)	(59.00)
	- Diluted (in Rs.)		(9.56)	(31.04)	(56.17)	(59.00)
	Significant Accounting Policies	1				

Refer accompanying notes. These notes are an integral part of the financial statements

For and on behalf of the Board of Directors
TBK Rangoli Tile Bath Kitchen Private Limited

Vinod Garg
Director
DIN - 08574957

Anoop Sreekumar
Director
DIN - 03434320

Place : Thane
Date : Jul 20, 2020

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

Statement of changes in equity for the year ended Jun 30, 2020

Other equity	Reserves and Surplus				Items of Other Comprehensive Income		Total
	Capital Redemption reserve	Debenture redemption reserve	General reserve	Retained earnings	Remeasurements of the defined benefit plans	Items of Other Comprehensive Income (specify nature)	
Balance at April 1, 2020	-	-	-	(2,54,93,876)	-	-	(2,54,93,876)
Profit / (Loss) for the year	-	-	-	(95,645)	-	-	(95,645)
Other comprehensive income	-	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(2,55,89,520)	-	-	(2,55,89,520)
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-
Balance at Jun 30, 2020	-	-	-	(2,55,89,520)	-	-	(2,55,89,520)

Notes to Financial Statements for the year ended Jun 30, 2020

2 Property, plant and equipment :

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2020	Addition	Disposal	Other Adjustments	As at Jun 30, 2020	As at April 1, 2020	For the Year	Elimination on disposal	Other adjustments	As at Jun 30, 2020	As at Jun 30, 2020	As at March 31, 2020
Own Assets:												
Leasehold Improvements	19,32,127	-	-	-	19,32,127	19,32,127	-	-	-	19,32,127	-	-
Computers	9,812	-	-	-	9,812	579	-	-	-	579	9,234	9,234
Furniture, Fixtures	20,10,021	-	-	-	20,10,021	15,03,356	74,964	-	-	15,78,320	4,31,701	5,06,665
Office Equipment	59,789	-	-	-	59,789	47,642	764	-	-	48,406	11,383	12,147
Total	40,11,750	-	-	-	40,11,750	34,83,704	75,728	-	-	35,59,432	4,52,318	5,28,046

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2019	Addition	Disposal	Other Adjustments	As at Jun 30, 2019	As at April 1, 2019	For the Year	Elimination on disposal	Other adjustments	As at Jun 30, 2019	As at Jun 30, 2019	As at March 31, 2019
Own Assets:												
Leasehold Improvements	19,32,127	-	-	-	19,32,127	19,32,127	-	-	-	19,32,127	-	-
Computers	9,812	-	-	-	9,812	579	-	-	-	579	9,234	9,234
Furniture, Fixtures	20,10,021	-	-	-	20,10,021	12,02,673	74,965	-	-	12,77,638	7,32,383	8,07,348
Office Equipment	59,789	-	-	-	59,789	43,302	1,082	-	-	44,384	15,405	16,487
Total	40,11,750	-	-	-	40,11,750	31,78,681	76,047	-	-	32,54,728	7,57,022	8,33,068

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2019	Addition	Disposal	Other Adjustments	As at Mar 31, 2020	As at April 1, 2019	For the Year	Elimination on disposal	Other adjustments	As at Mar 31, 2020	As at Mar 31, 2020	As at March 31, 2019
Own Assets:												
Leasehold Improvements	19,32,127	-	-	-	19,32,127	19,32,127	-	-	-	19,32,127	-	-
Computers	9,812	-	-	-	9,812	579	-	-	-	579	9,234	9,234
Furniture, Fixtures	20,10,021	-	-	-	20,10,021	12,02,673	3,00,683	-	-	15,03,356	5,06,665	8,07,348
Office Equipment	59,789	-	-	-	59,789	43,302	4,340	-	-	47,642	12,147	16,487
Total	40,11,750	-	-	-	40,11,750	31,78,681	3,05,023	-	-	34,83,704	5,28,046	8,33,068

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2018	Addition	Disposal	Other Adjustments	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	Other adjustments	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Own Assets:												
Leasehold Improvements	19,32,127	-	-	-	19,32,127	19,32,127	-	-	-	19,32,127	-	-
Computers	9,812	-	-	-	9,812	579	-	-	-	579	9,234	9,234
Furniture, Fixtures	20,03,271	6,750	-	-	20,10,021	9,02,206	3,00,467	-	-	12,02,673	8,07,348	11,01,065
Office Equipment	59,789	-	-	-	59,789	38,695	4,608	-	-	43,302	16,487	21,094
Total	40,05,000	6,750	-	-	40,11,750	28,73,607	3,05,074	-	-	31,78,681	8,33,068	11,31,393

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

Note : 3 Non-current assets - Loans

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Security Deposits	500	500	500	500
Total	500	500	500	500

Note : 4 Inventories

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Stock of Traded Goods	-	12,04,441	-	15,48,520
Total	-	12,04,441	-	15,48,520

Note : 5 Trade Receivables

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Secured, considered good				
Unsecured - Considered Good	6,77,856	6,79,219	6,77,856	10,45,063
Doubtful	-	-	-	-
	6,77,856	6,79,219	6,77,856	10,45,063
Less: Allowance for doubtful debts (expected credit loss)	(77,400)	(77,492)	(77,492)	(77,400)
Total	6,00,360	6,01,724	6,00,360	9,67,663

Note : 6 Cash and Cash Equivalents

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-2-2019 ₹
Cash at hand	-	-	-	7,192
Balances with banks	97,756	3,60,970	93,587	38,156
Total	97,756	3,60,970	93,587	45,348

Note : 7 Bank balances other than above

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Fixed Deposit with Bank	1,00,000	-	1,00,000	-
Total	1,00,000	-	1,00,000	-

Note : 8 Other Current Assets

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Advance to creditors	4,435	46,900	4,438	54,689
GST receivable	95,205	2,18,338	92,106	3,27,426
TDS Receivable	-	13,677	-	13,677
Prepaid Expenses	-	-	-	318
Total	99,640	2,82,121	96,544	3,96,310

Note : 9 Share Capital

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Authorised Equity Shares of ₹10 each (Previous year 10,000 Equity Shares of ₹ 10 each)	1,00,000	1,00,000	1,00,000	1,00,000
TOTAL	1,00,000	1,00,000	1,00,000	1,00,000
Issued & Subscribed & Paid up Equity Shares of ₹10 each (Previous year 10,000 Equity Shares of ₹ 10 each)	1,00,000	1,00,000	1,00,000	1,00,000
Total	1,00,000	1,00,000	1,00,000	1,00,000

c) Reconciliation of number of Shares outstanding

Particulars	As at 30-06-2020	As at 31-03-2020	As at 31-3-2019
Shares outstanding at the beginning of the year	10,000	10,000	10,000
Share issue during the year	-	-	-
Shares outstanding at the end of the year	10,000	10,000	10,000

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

b) Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is entitled to one vote per equity share. The shareholders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the company in proportion to their shareholding after distribution of all preferential amounts.

c) Details of shares held by Holding Company:

Name of Shareholder	As at 30-06-2020		As at 31-03-2020		As at 31-03-2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
H & R Johnson (India) TBK Ltd.	10,000	100	10,000	100	10,000	100

Note : 10 Other Equity

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Surplus				
Opening balance	(2,54,93,876)	(2,49,32,202)	(2,49,32,202)	(2,43,42,228)
Profit / (Loss) for the year	(94,574)	(3,10,411)	(5,61,674)	(5,89,974)
Total	(2,55,88,450)	(2,52,42,613)	(2,54,93,876)	(2,49,32,202)

Note : 11 Non Current Financial Liabilities - Borrowings

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Unsecured				
Loans and advances from related parties (Repayment by December 31, 2021)	66,50,000	66,50,000	66,50,000	66,50,000
Total	66,50,000	66,50,000	66,50,000	66,50,000

Note : 12 Trade Payables

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Trade Payables	1,40,34,534	1,43,02,036	1,40,16,434	1,45,08,695
Total	1,40,34,534	1,43,02,036	1,40,16,434	1,45,08,695

Note : 13 Other Current Financial Liabilities

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Interest accrued but not due on borrowings	33,93,819	45,93,819	33,93,819	45,93,819
Payable for Expenses	2,61,784	55,892	2,58,659	91,696
Total	36,55,603	46,49,711	36,52,478	46,85,515

Note : 14 Other Current Liabilities

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Statutory Liabilities	-	621	-	31,399
Advance received from Customers	-	1,47,020	-	2,47,978
Total	-	1,47,641	-	2,79,377

TBK RANGOLI TILE BATH KITCHEN PRIVATE LIMITED

Note : 15 Revenue from Operations

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Sales of products	-	93,346	16,00,839	2,69,34,003
Other operating income	-	1,67,618	3,43,311	4,57,154
Total	-	2,60,964	19,44,150	2,73,91,157

Note : 16 Purchase of Stock in Trade

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Materials Purchases	-	(7,040)	(3,599)	2,31,96,014
Total	-	(7,040)	(3,599)	2,31,96,014

Note : 17 Changes in Inventories of Stock-in-Trade

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Closing Stock (including in Transit)				
Closing Traded Stock	-	12,64,441	-	16,48,590
Less : Opening Stock (including in Transit)				
Opening Traded Stock	-	16,48,590	16,48,590	9,82,543
Total	-	3,84,149	16,48,590	(6,66,047)

Note : 18 Employee Benefit Expenses

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	-	10,500	10,500	21,79,252
Staff welfare expenses	-	-	-	1,15,772
Total	-	10,500	10,500	22,95,024

Note : 19 Finance Cost

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Interest Expense	-	-	-	7,95,499
Total	-	-	-	7,95,499

Note : 20 Other Expenses

Particulars		Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Rent		-	60,000	2,20,000	2,40,000
Bank Charges		1,786	1,036	6,165	45,394
Power & Fuel		-	26,206	36,456	6,22,370
Advertisement, Sales Promotion & Marketing Expenses		-	-	-	1,70,179
Travelling & Other Incidental Expenses		-	3,946	3,946	1,45,626
Communication Expenses		-	-	-	25,601
Repairs & Maintenance		-	130	130	7,60,540
Insurance		-	315	27,584	19,104
Printing & Stationery		-	200	6,400	17,846
Bad Debts Written Off		-	-	802	-
Auditors Remuneration	- as auditor	3,125	5,337	10,712	40,000
	- for other services	-	-	-	22,500
	- for reimbursement of expenses	-	-	1,012	2,256
Legal Professional & Consultancy Charges		16,000	21,200	68,000	2,37,000
Miscellaneous Expenses		4	18,319	2,65,867	98,154
Total		19,617	1,37,724	6,45,111	19,61,557

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

2019-2020

Independent Auditor's Report
To the Members of TBK Venkataramiah Tile Bath Kitchen Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of TBK Venkataramiah Tile Bath Kitchen Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss (including Other Comprehensive Income), 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, the aforesaid Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion.

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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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

When we read Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

BORKAR & MUZUMDAR
MUMBAI
F.R. NO. 101569W
CHARTERED ACCOUNTANTS

Management's Responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the audit of the Financial Statements

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

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

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

- Obtain an understanding of internal 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.

BORKAR & MUZUMDAR
MUMBAI
F.R. NO. 101569W
CHARTERED ACCOUNTANTS

- 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.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure A"** a statement on the matters specified in the paragraph 3 and 4 of the order.

2. 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2020 from being appointed as a director in terms of Section 164(2) of the Act.

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f) In our opinion considering nature of business, size of operation and organisational structure of the entity, 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 March 31, 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.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the provisions of the Section are not applicable to the Company.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 its statements – Refer Note 25 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 amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

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CA Deepak Kumar Jain
Partner
UDIN: 20154390AAAAEJ9660
M.No: 154390

Mumbai
Date: May 21, 2020

Annexure-A to the Auditors' Report
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of TBK Venkataramiah Tile Bath Kitchen Private Limited)

1. **PROPERTY, PLANT AND EQUIPMENT**

   a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

   c. According to the information and explanation given to us and on the basis of our examination of the records, Company do not have any Immovable properties. Hence the paragraph 3(i) (c) of the Order is not applicable to the Company.

2. During the Operating cycle of Company, Management regularly conduct physical verification of finished traded goods which in our opinion is reasonable, having regard to the size and nature of the Company. The discrepancies noticed on such verification were not significant and the same have been properly dealt with in the books of account.

3. The Company has not granted any secured loans and unsecured loans to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus paragraph 3(iii) of the Order is not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the Company has not made any investment, provided any Loan, security and guarantee, so provision of Section 185 and 186 of the Companies Act, 2013 is not applicable.

5. The Company has not accepted any deposits from the public.

6. The Company is in the business of trading, hence the paragraph 3(vi) of the Order is not applicable to the Company.

7. **STATUTORY DUES**

   a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including income Tax, goods and service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

   According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, goods and service tax cess and other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

   b. According to the information and explanations given to us, there are no material dues of income tax, goods and service tax and cess which have not been deposited with the appropriate authorities on account of any dispute.

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8. In our opinion and according to the information and explanation given to us the Company has not taken loans or borrowings from any Bank or Financial Institution and therefore, paragraph3 (viii) of the Order, is not applicable to the Company.

9. The Company have not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. According to the information and explanations give to us and based on our examination of the records of the Company, the provisions of Section 197 read with Schedule V to the Companies Act, 2013 is not applicable to Company.

12. 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.

13. 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 the Section 188 of the Companies Act, 2013. Details of transactions with the related parties have been disclosed in the Ind AS financial statements as required by applicable Indian Accounting Standards. However, the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.

14. According the information and explanations given 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.

15. 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 him. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

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CA Deepak Kumar Jain
Partner
UDIN: 20154390AAAAEJ9660
M.No: 154390

Mumbai
Date: May 21, 2020

Note 1: Significant Accounting Policies

Background

TBK Venkataramiah Tile Bath Kitchen Pvt. Ltd. is a Subsidiary of **H. & R. Johnson (India) TBK Limited**, in the business of trading in Tiles, Bathroom Fittings & Kitchen.

Authorization of financial statements

The Financial Statements were authorized for issue in accordance with a resolution of the directors on 21st May 2020.

Summary of significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the presentation of the standalone financial statements.

A. Basis of Preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values.

B. Rounding of amounts

All amounts disclosed in the financial statement and notes have been rounded off to the nearest Rupees, except where otherwise indicated.

C. Current versus non-current classification

The Company presents its assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

a) it is expected to be settled in normal operating cycle;
b) it is held primarily for the purpose of trading;

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c) it is due to be settled within twelve months after the reporting period; or
d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

D. Use of judgements, estimates & assumptions

While preparing financial statements in conformity with Ind AS, the Company makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on the estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and Judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

a) Fair value of Financial Assets and Financial liabilities;
b) The useful lives of, or expected pattern of consumption of the future economic benefits embodied in, depreciable assets;
c) Valuation of inventories and Inventory obsolescence;
d) Provisions and Bad Debts;
e) Evaluation of recoverability of deferred tax assets; and
f) Contingencies.

E. Revenue Recognition

(i) Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods at which time all of the following conditions are satisfied:

- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns including allowances, trade discounts and volume rebates but does not include Goods & Service Tax (GST).

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F. Property, Plant and equipment

a) Property, plant and equipment are stated at historical cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

b) When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Cost of major inspection is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of Profit or Loss as incurred.

c) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net realisable value and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

d) The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted prospectively.

e) Free hold Land is not depreciated. Lease arrangements for land are identified as finance lease in case such arrangements result in transfer of the related risks and rewards to the Company.

f) Stores and Spares which meet the definition of property plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.

g) Depreciation on Property, Plant & Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Company has assessed the estimated useful lives of its property, plant and equipment and has adopted the useful lives and residual value as prescribed in Schedule II. The estimated useful life of assets are as follows:

Assets	Useful life of asset
Leasehold Improvements	7 years
Building	60 years
Generator	15 years
Electrical Installations	10 years
Office Equipments	5 Years
Computer Equipments	3 Years
Furniture and fixtures	10 years

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Vehicles	8 years
Assets acquired under the finance lease	Over the primary lease period and secondary lease period if renewable at nominal cost, if any

Depreciation on stores and spares specific to an item of property, plant and equipment is based on life of the related property, plant and equipment.

h) In line with the provisions of Schedule II of the Companies Act 2013, the Company depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components has been assessed based on the historical experience.

G. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit or Loss in the period in which the expenditure is incurred.

Cost of Software directly identified with hardware is capitalised along with the cost of hardware. Application software is capitalised as Intangible Asset.

Intangible assets with finite lives are amortised on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each year end. The amortisation expense on intangible assets with finite lives and impairment loss is recognised in the Statement of Profit and Loss.

Estimated lives for current and comparative periods in relation to application of straight line method of amortisation of intangible assets (acquired) are as follows:

Assets	Useful life of asset
Software	3 years

H. Impairment of Assets

Carrying amount of Tangible and Intangible Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's assets (cash-generating units). Non- financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

I. Inventories

Inventories are valued on weighted average cost or net realizable value whichever is lower after providing for cost of obsolescence and other anticipated losses, wherever considered necessary.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

J. Trade Receivable

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Trade receivables expected in one year or less, they are classified as current assets. If not they are presented as non-current assets.

K. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown with in borrowings in current liabilities in the Balance Sheet.

L. Share Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

M. Financial Instruments

Financial Assets

Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit or loss), and

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- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are either recorded in statement of profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) 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. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 – Revenue, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity Instruments

The company subsequently measures all equity investments at fair value. Dividends from such investments are recognised in statement of profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss.

(iii) Derecognition

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

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

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend income

Dividends are recognised in statement of profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, financial guarantee contracts or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

(ii) Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using effective interest method or at FVTPL. The subsequent measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

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Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished and the consideration paid is recognised in statement of profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Trade payables

These amounts represent liabilities for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method

Financial guarantee contracts

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

(iii) Derecognition

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

(iv) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other Income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

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TSK Venkataramiah ... Prism Johnson Limited

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

N. 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 asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

The Company ceases capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

O. Provisions, Contingent liabilities, Contingent Assets

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the company recognizes any impairment loss on the assets associated with that contract.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the company.

Contingent liabilities are disclosed in the case of:

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- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from the past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent Assets is disclosed when inflow of economic benefits is probable.

Contingent Liabilities in respect of show-cause notices are considered only when converted into demands.

P. Gratuity

Provision for liability on account of gratuity obligation is made as per the method stipulated in the Payment of Gratuity Act, 1972.

Q. Taxes on Income

Current Tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax are recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets 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 deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

R. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

S. Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.
The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April 2019. The Company also elected to use the recognition exemptions for lease contracts.
The Company assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.
If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK Venkataramiah Tile Bath Kitchen Private Limited

estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

Lease Liabilities
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor
Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

T. Fair Value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

MUMBAI
F. R. NO.
101569W

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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:

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK Venkataramiah Tila Bath Kitchen Private Limited

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED
CIN : U26900KA2010PTC056306

CORPORATE OFFICE : NO. 56 A, RAMAMURTHY NAGAR MAIN ROAD, DODDA BANASWADI,
OPP NEW BALDWIN RESIDENTIAL SCHOOL, BANGALORE KARNATAKA 560043

STATEMENT OF ASSETS & LIABILITIES AS AT MARCH 31, 2020

Sr. No.	Particulars	Audited Year Ended as at 31-Mar-20	Audited Year Ended as at 31-Mar-19
A	**ASSETS**		
1	**Non Current Assets :**		
(a)	Property, Plant and Equipment	3,16,139	4,23,674
(b)	Financial Assets		
(i)	Loans	2,33,910	2,33,910
(c)	Other non-current assets	2,18,600	2,18,600
	Total	7,68,649	8,76,184
2	**Current Assets :**		
(a)	Inventories	10,34,108	8,34,241
(b)	Financial Assets		
(i)	Trade receivables	36,71,734	41,10,471
(ii)	Cash and cash equivalents	80,544	2,74,006
(iii)	Bank balances other than (ii) above	1,00,000	-
(c)	Other current assets	1,88,647	1,69,167
	Total	50,75,033	53,87,885
	Total Assets	58,43,682	62,64,069
B	**EQUITY AND LIABILITIES**		
1	**Equity :**		
(a)	Equity Share Capital	1,00,000	1,00,000
(b)	Other Equity	(1,47,89,680)	(1,56,16,009)
	Total	(1,46,89,680)	(1,55,16,009)
2	**Liabilities :**		
I	**Non Current Liabilities :**		
(a)	Financial Liabilities		
(i)	Borrowings	82,50,000	82,50,000
(b)	Provisions	-	-
	Total	82,50,000	82,50,000
II	**Current Liabilities :**		
(a)	Financial Liabilities		
(i)	Trade payables	14,81,803	33,81,500
(ii)	Other financial liabilities	1,04,07,300	99,63,843
(b)	Other current liabilities	3,94,259	1,84,735
	Total	1,22,83,362	1,35,30,078
	Total Equity and Liabilities	58,43,682	62,64,069

Note :
1 Figures of the previous year have been regrouped wherever necessary.

For Borkar & Muzumdar
Chartered accountants
(Firm Registration No. 101569W)

Deepak Kumar Jain
Partner
M. N 154390

Place : Mumbai
Date : May 21, 2020

BORKAR & MUZUMDAR
MUMBAI
F.R. NO.
101569W
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
TBK Venkataramiah Tile Bath Kitchen Pvt Ltd

J Narsing Rao
Director
DIN - 03337843

Vinod Garg
Director
DIN - 08574952

Place : Thane
Date : May 21, 2020

TBK Venkataramiah Tile Bath Kitchen Private Limited

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED
CIN : U26900KA2010PTC056304

CORPORATE OFFICE : NO. 56 A, RAMAMURTHY NAGAR MAIN ROAD, DOBBA BANASWADI,
OPP NEW BALDWIN RESIDENTIAL SCHOOL, BANGALORE KARNATAKA 560043

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

Amount in ₹

Sr. No.	Particulars	Standalone Quarter Ended			Standalone Year Ended	
		31-Mar-20 Audited	31-Dec-19 Unaudited	31-Mar-19 Audited	31-Mar-20 Audited	31-Mar-19 Audited
1	**Income from operations :**					
(a)	Net Sales	1,33,60,157	93,35,869	1,63,16,002	4,11,54,190	4,02,84,887
(b)	Other Income from operations	-	-	-	-	-
	Total Income from operations	**1,33,60,157**	**93,35,869**	**1,63,16,002**	**4,11,54,190**	**4,02,84,887**
2	**Expenses :**					
(a)	Cost of materials consumed	-	-	-	-	-
(b)	Purchases of stock-in-trade	1,21,27,241	78,84,479	1,43,05,483	3,61,51,739	3,52,60,052
(c)	Stores and spares consumed	-	-	-	-	-
(d)	Power & fuel	-	-	-	-	-
(e)	Excise Duty	-	-	-	-	-
(f)	Employee benefits expense	3,59,921	4,01,050	4,46,976	14,53,398	19,88,278
(g)	Freight outward	-	-	-	-	-
(h)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,61,720)	(47,471)	(1,97,310)	(1,99,867)	(2,35,590)
(i)	Depreciation and amortisation expense	24,235	27,867	51,791	1,07,535	2,10,042
(j)	Other expenses	6,02,666	4,87,105	8,58,382	20,70,520	29,06,638
	Total Expenses	**1,29,52,343**	**87,53,030**	**1,64,66,323**	**3,96,83,325**	**4,01,29,421**
3	Profit / (Loss) from operations before Other Income, Finance cost and Exceptional items (1-2)	4,07,814	5,82,858	8,50,680	15,70,865	1,55,466
4	Other income	-	-	-	-	-
5	Profit from ordinary activities before Finance cost and Exceptional items (3+4)	4,07,814	5,82,859	8,50,680	15,70,865	1,55,466
6	Finance cost	1,85,117	1,87,151	1,83,082	7,44,535	7,42,500
7	Profit / (Loss) from ordinary activities before Exceptional items (5-6)	2,22,697	3,95,707	6,67,598	8,26,330	(5,87,034)
8	Exceptional items	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before Tax (7(+/-)8)	2,22,697	3,95,707	6,67,596	8,26,330	(5,87,034)
10	Tax expenses	-	-	-	-	-
11	**Net Profit / (Loss) for the period (9-10)**	**2,22,697**	**3,95,707**	**6,67,598**	**8,26,330**	**(5,87,034)**
12	Other Comprehensive Income (net of tax)	-	-	-	-	-
13	**Total Comprehensive Income (after tax) (11+12)**	**2,22,697**	**3,95,707**	**6,67,598**	**8,26,330**	**(5,87,034)**
14	Paid-up Equity Share Capital (Face value ₹10/- per share)	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000
15	Networth				(1,46,90,680)	(1,55,16,206)
16	Earning Per Share - (Basic, diluted and not annualised) (₹)	22.27	39.57	66.76	82.63	(58.70)

Notes :

1. Results for the quarter and year ended March 31, 2020 and for the quarter ended December 31, 2019 are in compliance with Indian Accounting Standard (Ind AS). The results for the quarter and year ended March 31, 2019 have been restated to comply with Ind AS.

2. Figures for the previous periods have been regrouped wherever necessary.

For Borkar & Muzumdar
Chartered accountants
(Firm Registration No. 101569W)

BORKAR & MUZUMDAR
MUMBAI
F.R. NO.
101569W
CHARTERED ACCOUNTANTS

Deepak Kumar Jain
Partner
M. N 154390

Place : Mumbai
Date : May 21, 2020

For and on behalf of the Board of Directors
TBK Venkataramiah Tile Bath Kitchen Private Limited

J Narsing Rao
Director
DIN - 03337843

Vinod Garg
Director
DIN - 05574952

Place : Thane
Date : May 21, 2020

TBK Venkataramiah Tile Bath Kitchen Private Limited

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

Balance Sheet as at March 31, 2020

(Amount in ₹)

	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
I	**ASSETS**			
1	**Non Current Assets**			
	a. Property, Plant and Equipment	2	3,16,139	4,23,674
	b. Capital work-in-progress		-	-
	c. Investment Property		-	-
	d. Goodwill		-	-
	e. Other Intangible assets	2	-	-
	f. Intangible assets under development		-	-
	g. Biological Assets other than bearer plants		-	-
	h. Financial Assets		-	-
	(i) Investments		-	-
	(ii) Trade receivables		-	-
	(iii) Loans	3	2,33,910	2,33,910
	(iv) Other Financial Assets (to be specified)		-	-
	i. Deferred tax assets (net)		-	-
	j. Other non-current assets	4	2,18,600	2,18,600
	Total Non Current Assets		7,68,649	8,76,184
2	**Current Assets**			
	a. Inventories	5	10,34,108	6,34,241
	b. Financial Assets		-	-
	(i) Investments		-	-
	(ii) Trade receivables	6	36,71,734	41,10,471
	(iii) Cash and cash equivalents	7	80,544	2,74,006
	(iv) Bank balances other than (iii) above	8	1,00,000	-
	(v) Loans		-	-
	(vi) Others Financial Assets (to be specified)		-	-
	c. Current Tax Assets (Net)		-	-
	d. Other current assets	9	1,88,647	1,69,167
	Total Current Assets		50,76,033	53,67,885
	Total Assets		58,43,682	62,64,069
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a. Equity Share Capital	10	1,00,000	1,00,000
	b. Other Equity	11	(1,47,89,680)	(1,56,16,009)
	Total Equity		(1,46,89,680)	(1,55,16,009)
	Liabilities			
2	**Non Current Liabilities**			
	a. Financial Liabilities			
	(i) Borrowings	12	82,50,000	82,50,000
	(ii) Trade payables		-	-
	(iii) Other financial liabilities (to be specified)		-	-
	b. Provisions		-	-
	c. Deferred tax liabilities (Net)		-	-
	d. Other non-currentn liabilities		-	-
	Total Non Current Liabilities		82,50,000	82,50,000
3	**Current Liabilities**			
	a. Financial Liabilities			
	(i) Borrowings		-	-
	(ii) Trade payables			
	Total outstanding dues of Micro Enterprises & Small Enterprises		-	-
	Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	13	14,61,803	33,81,500
	(iii) Other financial liabilities (to be specified)	14	1,04,07,300	99,63,843
	b. Other current liabilities	15	3,04,259	1,84,735
	c. Provisions		-	-
	d. Current Tax Liabilities (Net)		-	-
	e. Liabilities directly associated with assets classified as held for sale		-	-
	Total Current Liabilities		1,22,83,362	1,35,30,078
	Total Equity and Liabilities		58,43,682	62,64,069
	Summary of Significant accounting policies	1		

Refer accompanying notes. These notes are an integral part of the financial statements

As per our report of even date
For Borkar & Muzumdar
Chartered Accountants
Firm Registration no.101569W

Deepak Kumar Jain
Partner
Membership No. 154

Place : Mumbai
Date : May 21, 2020

BORKAR & MUZUMDAR
MUMBAI
F.R. NO.
101569W
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
TBK Venkataramiah Tile Bath Kitchen Pvt Ltd

J Narsing Rao
Director
DIN - 03337843

Vinod Garg
Director
DIN - [illegible]

Place : Thane
Date : May 21, 2020

TBK Venkataramiah Tile Bath Kitchen Private Limited

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

Statement of Profit & Loss the period ended March 31, 2020

(Amount in ₹)

	Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
I.	Revenue from operations	16	4,11,54,190	4,02,04,887
II.	Other Income			-
III.	**Total Income (I+II)**		**4,11,54,190**	**4,02,04,887**
IV.	**Expenses:**			
	Cost of materials consumed			
	Purchases of Stock-in-Trade	17	3,61,51,739	3,52,60,052
	Changes in inventories of Finished goods, work in progress and stock-in-Trade	18	(1,99,667)	(2,35,590)
	Excise duty on sales of goods		-	-
	Manufacturing expenses		-	-
	Employee's Benefits Expense	19	14,63,398	19,88,276
	Finance Costs	20	7,44,536	7,42,500
	Depreciation and Amortization Expense	2	1,07,535	2,10,042
	Impairment loss on financial assets			
	Impairment on non-current assets			
	Other expenses	21	20,70,520	29,06,836
	Total expenses (IV)		**4,03,27,860**	**4,08,71,921**
V.	**Profit / (loss) before exceptional and tax (III-IV)**		**8,26,330**	**(6,67,034)**
VI.	Exceptional items		-	-
VII.	**Profit / (loss) before tax (V-VI)**		**8,26,330**	**(6,67,034)**
VIII.	Tax expense:			
	- Current tax		-	-
	- Minimum Alternate Tax		-	-
	- MAT Credit Entitlement		-	-
	- Deferred tax		-	-
			-	-
IX.	**Profit (Loss) for the period from continuing operations (VII-VIII)**		**8,26,330**	**(6,67,034)**
X.	Profit / (loss) for the period from discontinued operations before tax		-	-
XI.	Tax expense of discontinuing operations		-	-
XII.	**Profit/(loss) from Discontinuing operations (after tax) (X-XI)**		-	-
XIII.	**Profit (Loss) for Period (IX+XII)**		**8,26,330**	**(6,67,034)**
XIV.	**Other Comprehensive Income**			
	a (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	b (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV.	**Total other comprehensive income**		-	-
XVI.	**Total Comprehensive Income for the Period (XIII+XV)**		**8,26,330**	**(6,67,034)**
	Earnings per equity share (for continuing operations) :			
	- Basic (in Rs.)		82.63	(56.70)
	- Diluted (in Rs.)		82.63	(56.70)
	Earnings per equity share (for discontinued operations) :			
	- Basic (in Rs.)		-	-
	- Diluted (in Rs.)		-	-
	Earnings per equity share (for discontinued and continuing operations)			
	- Basic (in Rs.)		82.63	(56.70)
	- Diluted (in Rs.)		82.63	(56.70)
	Significant Accounting Policies	1		

Refer accompanying notes. These notes are an integral part of the financial statements

As per our report For and on behalf of the Board of Directors
For Borkar & Muzumdar
Chartered Accountants
Firm Registration no 101569W

Deepak Kumar Jain
Partner
Membership No. 1543[illegible]

Place : Mumbai
Date : May 21, 2020

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
TBK Venkataramiah Tile Bath Kitchen Pvt Ltd

Narsing Rao

J Narsing Rao
Director
DIN - 03337843

Vinod Garg
Director
DIN - 08574952

Place : Thane
Date : May 21, 2020

TBK Venkataramiah Tile Bath Kitchen Private Limited

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

Cash Flow Statement for the year ended March 31, 2020 (Amount in ₹)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from operating activities		
Profit Before Tax from Continuing Operations	8,26,330	(5,87,034)
Profit Before Tax from Discontinuing Operations		-
Profit before income tax including discontinued operations	**8,26,330**	**(5,87,034)**
Non-cash Adjustment to Profit Before Tax:		
Depreciation and amortization expense	1,07,535	2,10,042
Gain on disposal of property, plant and equipment	-	-
Change in fair value of financial assets at fair value through profit or loss	-	-
Unwinding of discount on security deposits	-	-
Finance costs	7,44,535	7,42,500
Net exchange differences	-	-
	16,78,400	3,65,508
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	4,38,737	(16,24,898)
Decrease/(increase) in inventories	(1,99,667)	(2,35,590)
Increase/(decrease) in trade payables	(18,89,897)	4,28,948
Increase/(decrease) in other financial assets	-	(1,600)
Decrease/(increase) in other non-current assets	-	14,701
Decrease/(increase) in other current assets	(19,480)	(16,887)
Increase/(decrease) in other financial liabilities	4,43,457	19,46,782
Increase/(decrease) in other current liabilities	2,09,524	49,711
Cash generated from operations	6,61,073	9,26,675
Direct taxes paid (net of refunds)	-	-
Net cash flow from/(used in) operating activities (A)	**6,61,073**	**9,26,675**
Cash flow from investing activities		
Payments for acquisition of property, plant and equipment	-	-
Investment in Fixed Deposit	(1,00,000)	-
Loans to employees and related parties	-	-
Proceeds from sale of property, plant and equipment	-	-
Repayment of loans by employees and related parties	-	-
Interest received	-	-
Net cash flow from/(used in) investing activities (B)	(1,00,000)	-
Cash flows from financing activities		
Proceeds from borrowings	-	-
Repayment of short-term borrowings	-	-
Interest paid	(7,44,535)	(7,42,500)
Net cash flow from/(used in) in financing activities (C)	(7,44,535)	(7,42,500)
Net increase/(decrease) in cash and cash equivalents (A+B+ C)	(1,83,462)	1,84,175
Effect of exchange differences on cash & cash equivalent held in foreign currency		
Cash and cash equivalents at the beginning of the year	2,74,006	89,830
Cash and cash equivalents at the end of the year	**90,544**	**2,74,006**
Non-cash financing and investing activities	-	-
Acquisition of property, plant and equipment by means of finance lease	-	-
	-	-
Reconciliation of cash and cash equivalents as per the cash flow statement :		
Cash and cash equivalents	90,544	2,74,006
Balance as per the cash flow statement :	**90,544**	**2,74,006**

Significant accounting policies 1

As per our report of even date
For Borkar & Muzumdar
Chartered Accountants
Firm Registration no.101569W

Deepak Kumar Jain
Partner
Membership No. 1543[illegible]

Place : Mumbai
Date : May 21, 2020

BORKAR & MUZUMDAR
MUMBAI
F.R. NO.
101569W
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
TBK Venkataramiah Tile Bath Kitchen Pvt Ltd

J Narsing Rao
Director
DIN - 03337843

Vinod Garg
Director
DIN - 08574952

Place : Thane
Date : May 21, 2020

TBK Venkataramiah Tile Bath Kitchen Private Limited

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED
Statement of changes in equity for the period ended Mar 31, 2020

Equity share capital	Amount
Balance at March 31, 2019	1,00,000
Changes in equity share capital during the year	
Balance at March 31, 2020	1,00,000

TBK Venkataramiah Tile Bath Kitchen Private Limited

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

Statement of changes in equity for the year ended Mar 31, 2020 - continued

Other equity	Reserves and Surplus				Items of Other Comprehensive Income		Total
	Capital Redemption reserve	Debenture redemption reserve	General reserve	Retained earnings	Remeasurements of the defined benefit plans	Items of Other Comprehensive Income	
Balance at April 1, 2019	-	-	-	(1,56,16,009)	-	-	(1,56,16,009)
Profit / (Loss) for the peiod	-	-	-	8,26,329	-	-	8,25,329
Other comprehensive income	-	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(1,47,89,680)	-	-	(1,47,89,680)
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-
Balance at Mar 31, 2020	-	-	-	(1,47,89,680)	-	-	(1,47,89,680)

SORKAR & MUZUMDAR ★ MUMBAI F. R. NO. 101569W ★ CHARTERED ACCOUNTANTS

TBK Venkataramiah Tile Bath Kitchen Private Limited ★

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

Notes to Financial Statements for the year ended Mar 31, 2020

2 Property, plant and equipment :

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2019	Addition	Disposal	Other Adjustments	As at Mar 31, 2020	As at April 1, 2019	For the year	Elimination on disposal	Other adjustments	As at Mar 31, 2020	As at Mar 31, 2020	As at March 31, 2019
Own Assets:												
Leasehold Improvements	18,32,068	-	-	-	18,32,068	18,32,068	-	-	-	18,32,068	-	-
Computers	58,220	-	-	-	58,220	36,881	9,385	-	-	46,266	11,954	21,339
Furniture, Fixtures	4,78,630	-	-	-	4,78,630	2,67,273	66,727	-	-	3,34,000	1,44,629	2,11,356
Office Equipment	1,86,430	-	-	-	1,86,430	1,65,498	-	-	-	1,65,498	20,932	20,932
Generator	1,77,711	-	-	-	1,77,711	57,512	14,358	-	-	71,871	1,05,841	1,20,199
Electrical Equipments	1,18,195	-	-	-	1,18,195	68,348	17,064	-	-	85,412	32,783	49,847
Total	**28,51,254**	-	-	-	**28,51,254**	**24,27,680**	**1,07,536**	-	-	**25,35,116**	**3,16,139**	**4,23,674**

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2018	Addition	Disposal	Other Adjustments	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	Other adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Own Assets:												
Leasehold Improvements	18,32,068	-	-	-	18,32,068	17,37,060	95,008	-	-	18,32,068	-	95,008
Computers	58,220	-	-	-	58,220	20,466	16,415	-	-	36,881	21,339	37,754
Furniture, Fixtures	4,78,630	-	-	-	4,78,630	2,00,546	66,727	-	-	2,67,273	2,11,356	2,78,083
Office Equipment	1,86,430	-	-	-	1,86,430	1,65,027	471	-	-	1,65,498	20,932	21,403
Generator	1,77,711	-	-	-	1,77,711	43,154	14,358	-	-	57,512	1,20,199	1,34,557
Electrical Equipments	1,18,195	-	-	-	1,18,195	51,285	17,064	-	-	68,348	49,847	66,911
Total	**28,51,254**	-	-	-	**28,51,254**	**22,17,638**	**2,10,042**	-	-	**24,27,680**	**4,23,674**	**6,33,716**

BORKAR & MUZUMDAR ★ MUMBAI F. R. NO. 101569W ★ CHARTERED ACCOUNTANTS

TBK Venkataramiah Tile Bath Kitchen Private Limited ★

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

Note : 3 Non Current Financial Assets - Loans

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Unsecured considered good		
Security Deposits	2,33,910	2,33,910
Total	2,33,910	2,33,910

Note : 4 Other Non Current Assets

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Deposit with statutory authorities (net of provision)	6,000	6,000
Deposit with statutory authorities (Disputed Dues)	2,15,600	2,15,600
Total	2,18,600	2,18,600

Note : 5 Inventories

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Stock in Trade	10,34,108	8,34,241
(Valued at lower of cost or net realisable value)		
Total	10,34,108	8,34,241

Note : 6 Trade Receivables

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Secured - Considered Good		
Unsecured - Considered Good	36,71,734	42,17,727
Doubtful	-	-
	36,71,734	42,17,727
Less: Allowance for doubtful debts (expected credit loss)	-	(1,07,256)
Total	36,71,734	41,10,471

Note : 7 Cash and Cash Equivalents

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Balances with banks		
- On current accounts	37,181	2,00,852
Cash in hand	43,363	73,154
Total	80,544	2,74,006

Note : 8 Bank balances other than above

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Fixed Deposit with Bank	1,00,000	-
Total	1,00,000	-

Note : 9 Other Current Assets

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Other receivable	47,678	19,175
Prepaid Expenses	-	9,023
GST Receivable	[illegible]	1,40,969
Total	[illegible]	1,69,167

Note : 10 Share Capital

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Authorised		
10,000 Equity Shares of ₹ 10 each	1,00,000	1,00,000
(Previous Year : 10,000 Equity Shares of ₹ 10 each)		
Total	1,00,000	1,00,000
Issued & Subscribed & Paid up		
10,000 Equity Shares of ₹ 10 each	1,00,000	1,00,000
(Previous Year : 10,000 Equity Shares of ₹ 10 each)		
Total	1,00,000	1,00,000

(a) Reconciliation of No of Shares outstanding

Particulars	As at 31-3-2020	As at 31-3-2019
Shares outstanding at the beginning of the year	10,000	10,000
Shares issued during the year	-	-
Shares outstanding at the end of the year	10,000	10,000

TBK Venkataramiah Tile Bath Kitchen Private Limited

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

(b) Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is entitled to one vote per equity share. The share holders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the company in proporation to their shareholding after distribution of all preferential amounts.

(c) Details of Shareholders

Name of Shareholder	As at 31-03-2020		As at 31-03-2019	
	Total Shares held	As a % of Total Shares	Total Shares held	As a % of Total Shares
H. & R. Johnson (India) TBK Ltd	10,006	100	10,006	100

Note : 11 Other Equity

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Surplus in Statement of Profit and Loss		
Opening balance	(1,56,16,009)	(1,50,28,976)
Profit / (Loss) for the year	8,26,330	(5,87,034)
Total	**(1,47,89,680)**	**(1,56,16,009)**

Note : 12 Non Current Financial Liabilities - Borrowings

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Unsecured		
Loans and advances from related parties (Repayment by December 31, 2021)	82,50,000	82,50,000
Total	**82,50,000**	**82,50,000**

Note : 13 Trade Payables

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Total outstanding dues of Micro Enterprises & Small Enterprises	-	-
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	14,81,803	33,81,500
Total	**14,81,803**	**33,81,500**

Note : 14 Other Current Financial Liabilities

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Interest accrued but not due on Loans	46,14,529	39,44,448
Liability for Expenses	57,92,771	60,19,195
Total	**1,04,07,300**	**99,63,643**

Note : 15 Other Current Liabilities

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Advance from Customers	3,36,293	65,788
Statutory Liabilities	57,966	1,18,947
Total	**3,94,259**	**1,84,735**

TBK Venkataramiah Tile Bath Kitchen Private Limited

TBK VENKATARAMAIAH TILE BATH KITCHEN PRIVATE LIMITED

Note : 16 Revenue from Operations

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Sale of Products & Services	4,07,04,330	3,94,68,422
Other operating revenue	4,49,860	8,16,465
Total	**4,11,54,190**	**4,02,84,887**

Note : 17 Purchases Stock-in-Trade

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Purchase of products	3,61,51,739	3,52,60,052
Total	**3,61,51,739**	**3,52,60,052**

Note : 18 Change in Inventories of stock-in-trade

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the end of the year		
Traded Goods	10,34,108	8,34,241
Inventories at the beginning of the year		
Traded Goods	8,34,241	5,98,651
Total	**(1,99,867)**	**(2,35,590)**

Note : 19 Employee Benefits Expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	13,75,525	19,01,044
Staff welfare expenses	77,873	87,234
Total	**14,53,398**	**19,88,278**

Note : 20 Finance Cost

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest on loan	7,44,535	7,42,500
Total	**7,44,535**	**7,42,500**

Note : 21 Other Expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rent	9,27,150	17,25,000
Bank Charges	56,155	36,029
Power & Fuel	30,000	30,000
Rates & Taxes	44,350	25,001
Travelling & Communication	1,88,025	3,14,827
Bad debts	-	89,220
Repairs to Others	1,52,327	1,42,851
Electricity Expenses	2,11,212	1,62,566
Printing & Stationery	35,521	31,801
Payment to Auditors - as Auditor	47,500	47,500
Legal & Professional Charges	46,000	48,250
Miscellaneous Expenses	3,26,380	2,32,983
Total	**20,70,520**	**29,06,638**

Note 22 : EARNINGS PER SHARE

(Amount in ₹)

Particulars	As At March 31,2020	As At March 31,2019
Profit / (Loss) for the year	8,26,330	(5,87,034)
Weighted Average Number of Equity Shares	10,000	10,000
Nominal value of shares	10	10
Basic Earnings / (Loss) Per Share	82.63	(58.70)

Note 23 :

The disclosure in respect of the amounts payable to such micro, small and medium enterprises as at March 31, 2020 has been made basis of information received from suppliers.

Note 24 :

The company has reversed the gratuity liability amounting to NIL (P.Y. NIL) on the method stipulated under the Payment of Gratuity Act, 1972. The company does not offer any other benefits to its employees.

Note 25 :

Contingent liability represents items that at 31st March, 2020, are not recognised in the statement of Financial Position because there is significant uncertainity at that date as to the necessity for the entity to receive or make payments in respect of them.
Liability relating to consumer case of Mrs.Nanditha S Banakar of kitchen supply amounting to Rs. 4,63,150

TBK Venkataramiah Tile Bath Kitchen Private Limited

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

Note 26: RELATED PARTY DISCLOSURE

(a) Name of Related Parties

Parent company

1 Prism Johnson Limited

Enterprise under common control

1 TBK Samiyaz Tile Bath Kitchen Private Limited.
2 TBK Deepgiri Tile Bath Kitchen Private Limited.
3 TBK Unique Jalgaon Tile Bath Kitchen Private Limited.
4 TBK Krishna Tile Bath Kitchen Private Limited - (upto - 21/06/2019)
5 TBK Rangoli Tile Bath Kitchen Private Limited.
6 TBK PB Shah Tile Bath Kitchen Private Limited. - (upto - 21/03/2020)
7 TBK Sanitary Sales Private Limited.
8 TBK Florance Ceramics Private Limited.
9 TBK Deziner's Home Private Limited. - (upto - 24/06/2019)
10 TBK Prathap Tile Bath Kitchen Private Limited.
11 TBK Rathi Sales Agenceis Private Limited. - (upto - 14/11/2019)
12 TBK Rishi Ceramics Private Limited. - (upto - 23/10/2019)
13 TBK Shree Ganesh Traders Private Limited. - (upto - 14/11/2019)
14 TBK Aishwarya Tile Bath Kitchen Private Limited. - (upto - 24/10/2019)
15 TBK Home Trends Private Limited. - (upto - 19/10/2019)
16 TBK Rajkamal Tile Bath Kitchen Private Limited. - (upto - 24/06/2019)
17 TBK Solan Ceramics Private Limited. - (upto - 23/08/2019)
18 Ardex Endura (India) Private Limited.

Holding company

1 H & R Johnson (India) TBK Ltd.

(b) Transactions entered with the related party during the year.

(Amount in ₹)

Particulars	Enterprises under comon control	Parent company	Holding company
Payment of Rent - H & R Johnson (India) TBK Ltd.	-	-	9,27,150
	-	-	(17,25,000)
Purchase of goods - Prism Johnson Limited.	-	3,53,53,857	-
	-	(3,40,79,403)	-
Purchase of goods - H & R Johnson (India) TBK Ltd.	-	-	2,214
	-	-	(2,34,164)
Purchase of goods - TBK Prathap Tile Bath Kitchen Pvt. Ltd.	28,019	-	-
	(591)	-	-
Purchase of goods - Ardex Endura (India) Pvt. Ltd.	1,82,224	-	-
	(4,69,264)	-	-
Incentives & others - Prism Johnson Ltd.	-	7,13,867	-
	-	(8,54,057)	-
Sale of goods - TBK Prathap Tile Bath Kitchen Pvt Ltd	56,455	-	-
	(45,113)	-	-
Sale of goods-H & R Johnson (India) TBK Ltd	-	-	67,424
	-	-	(5,83,200)
Sales of goods - Ardex Endura (India) Pvt. Ltd.	-	-	-
	(33,605)	-	-
Payment of Salary & Reimbursement of expenses	-	-	-
	-	-	(20,77,019)
Interest on Unsecured Loans-H & R Johnson (India) TBK Ltd.	-	-	7,44,535
	-	-	(7,42,500)
Reimbursement-Prism Johnson Ltd	-	2,66,995	-
	-	(41,893)	-

TBK Venkataramiah Tile Bath Kitchen Private Limited *

BORKAR & MUZUMDAR
MUMBAI
F. R. NO.
101569W
CHARTERED ACCOUNTANTS

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

c) The details of balance as at March 31, 2020

(Amount in ₹)

Sr. No.	Name	Nature of Relationship	Nature of Payment / Receipts	As at March 31, 2020
1	H & R Johnson (India) TBK Ltd.	Holding Company	Unsecured Loan	82,50,000 (82,50,000)
2	H & R Johnson (India) TBK Ltd.	Holding Company	Interest Accured on Loan	48,14,529 (39,44,448)
3	PRISM JOHNSON LIMITED	Parent Company	Purchase of goods	13,46,368 (33,24,749)
4	H & R Johnson (India) TBK ld.	Holding Company	Purchase and sale of goods & services	54,00,879 (59,40,240)

Note 27:

The balances of Sundry debtors and Creditors are subject to confirmation.The Directors are of the Opinion that no asset is likely to be realized for an amount less than the amount at which it is recorded in the financial statements as at March 31, 2020 except for those which management has identified and classified as doubtful for recovery.

Note 28: Note on Proposed Scheme of Amalgamation

The Board of Directors of the company had approved on October 23, 2019 the Composite Scheme of Arrangement and Amalgamation amongst Prism Johnson Limited ("PJL"), Milano Bathroom Fittings Private Limited ("Milano"), Silica Ceramica Private Limited ("Silica"), H. & R. Johnson (India) TBK Limited ("HRJTBK"), TBK Samiyaz Tile Bath Kitchen Private Limited ("TBK Samiyaz"), and TBK Rangoli Tile Bath Kitchen Private Limited ("TBK Rangoli") which has been filed before the NCLT, Hyderabad.

The Company will be demerged entity after scheme is approved and retail / trading business unit will be taken over by HRJTBK. The statutory approvals for the proposed scheme are awaited and no impact of the same has been provided in the financials of the Company for the year ended March 31, 2020

Note 29: Note on COVID-19

The World Health Organisation announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24.2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been further extended till May,2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management has made assessment of the impact of COVID-19 on the company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements.

Accordingly no adjustments have been made to the financial statements.

Note 30:

Previous year figures have been recast, regrouped and reclassified to make them comparable with the current year figures.

For Borkar & Muzumdar
Chartered Accountants
Firm Registration no.101569W

Deepak Kumar Jain
Partner
Membership No. 154390

Place : Mumbai
Date : May 21.2020

For and on behalf of the Board of Directors
For Venkataramiah Tile Bath Kitchen Pvt. Ltd.

J Narsing Rao
Director
DIN - 03337843

Vinod Garg
Director
DIN - 08574952

Place : Thane
Date : May 21,2020

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

TBK Venkataramiah Tile Bath Kitchen Private Limited

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED
Balance Sheet as at June 30, 2020

(Amount in ₹)

Particulars	Note No.	As at June 30, 2020	As at June 30, 2019	As at March 31, 2020	As at March 31, 2019
I ASSETS					
1 Non Current Assets					
a. Property, Plant and Equipment	2	2,91,669	3,96,109	3,16,139	4,23,674
b. Capital work-in-progress		-	-	-	-
c. Investment Property		-	-	-	-
d. Goodwill		-	-	-	-
e. Other Intangible assets	2	-	-	-	-
f. Intangible assets under development		-	-	-	-
g. Biological Assets other than bearer plants		-	-	-	-
h. Financial Assets		-	-	-	-
(i) Investments		-	-	-	-
(ii) Trade receivables		-	-	-	-
(iii) Loans	3	2,33,910	2,33,910	2,33,910	2,33,910
(iv) Other Financial Assets (to be specified)		-	-	-	-
i. Deferred tax assets (net)		-	-	-	-
j. Other non-current assets	4	2,18,600	2,18,600	2,18,600	2,18,600
Total Non Current Assets		7,44,179	8,48,619	7,68,649	8,76,184
2 Current Assets					
a. Inventories	5	13,37,357	6,96,375	10,34,108	6,34,241
b. Financial Assets		-	-	-	-
(i) Investments		-	-	-	-
(ii) Trade receivables	6	21,36,648	11,80,037	36,71,734	41,10,471
(iii) Cash and cash equivalents	7	19,76,944	6,51,962	80,544	2,74,050
(iv) Bank balances other than (iii) above	8	1,00,000	-	1,00,000	-
(v) Loans		-	-	-	-
(vi) Others Financial Assets (to be specified)		-	-	-	-
c. Current Tax Assets (Net)	9	2,549	4,024	-	-
d. Other current assets	10	1,06,650	1,93,930	1,88,647	1,69,167
Total Current Assets		57,12,548	27,26,336	50,75,033	53,87,885
Total Assets		64,56,727	35,74,956	58,43,682	62,64,069
II EQUITY AND LIABILITIES					
1 Equity					
a. Equity Share Capital	11	1,00,000	1,00,000	1,00,000	1,00,000
b. Other Equity	12	(1,50,14,614)	(1,55,76,477)	(1,47,89,680)	(1,56,16,009)
Total Equity		(1,49,14,614)	(1,54,76,477)	(1,46,89,680)	(1,55,16,009)
Liabilities					
2 Non Current Liabilities					
a. Financial Liabilities					
(i) Borrowings	13	62,50,000	62,50,000	62,50,000	62,50,000
(ii) Trade payables		-	-	-	-
(iii) Other financial liabilities (to be specified)		-	-	-	-
b. Provisions		-	-	-	-
c. Deferred tax liabilities (Net)		-	-	-	-
d. Other non-current liabilities		-	-	-	-
Total Non Current Liabilities		62,50,000	62,50,000	62,50,000	62,50,000
3 Current Liabilities					
a. Financial Liabilities					
(i) Borrowings		-	-	-	-
(ii) Trade payables					
Total outstanding dues of Micro Enterprises & Small Enterprises		-	-	-	-
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	14	26,25,663	3,44,056	14,81,803	33,81,599
(iii) Other financial liabilities (to be specified)	15	98,70,279	1,01,72,221	1,04,07,300	99,63,643
b. Other current liabilities	16	6,25,399	2,85,156	3,94,259	1,84,735
c. Provisions		-	-	-	-
d. Current Tax Liabilities (Net)		-	-	-	-
e. Liabilities directly associated with assets classified as held for sale		-	-	-	-
Total Current Liabilities		1,31,21,341	1,08,01,433	1,22,83,362	1,35,30,078
Total Equity and Liabilities		64,56,727	35,74,956	58,43,682	62,64,069
Summary of Significant accounting policies	1				

Refer accompanying notes. These notes are an integral part of the financial statements

For and on behalf of the Board of Directors
TBK Venkataramiah Tile Bath Kitchen Pvt Ltd

Vinod Garg
Director
DIN - 08574952

Tapas Sensharma
Director
DIN - 08364280

Place : Thane
Date : Jul 29, 2020

TBK Venkataramiah Tile Bath Kitchen Private Limited

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED
Statement of Profit & Loss the period ended June 30, 2020

(Amount in ₹)

	Particulars	Note No.	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
I.	Revenue from operations	17	54,07,999	61,84,740	4,11,54,190	4,02,84,587
II.	Other Income		-	-	-	-
III.	Total Income (I+II)		54,07,999	61,84,740	4,11,54,190	4,02,84,587
IV.	Expenses:					
	Cost of materials consumed					
	Purchases of Stock-in-Trade	18	51,12,237	69,74,177	3,61,61,759	3,52,60,052
	Changes in inventories of Finished goods, work in progress and stock-in-Trade	19	(3,03,246)	1,37,866	(1,99,857)	(2,35,090)
	Excise duty on sales of goods		-	-	-	-
	Manufacturing expenses		-	-	-	-
	Employee's Benefits Expense	20	3,17,422	3,50,066	14,53,398	19,80,276
	Finance Costs	21	1,85,110	1,85,116	7,44,535	7,42,500
	Depreciation and Amortization Expense	2	24,470	27,585	1,07,535	2,10,042
	Impairment loss on financial assets					
	Impairment on non-current assets					
	Other expenses	22	2,96,937	4,70,427	20,70,520	26,06,636
	Total expenses (IV)		56,32,934	61,45,217	4,03,27,860	4,08,71,621
V.	Profit / (loss) before exceptional and tax (III-IV)		(2,24,935)	39,533	8,26,330	(5,87,034)
VI.	Exceptional items		-	-	-	-
VII.	Profit / (loss) before tax (V-VI)		(2,24,935)	39,533	8,26,330	(5,87,034)
VIII.	Tax expense					
	- Current tax		-	-	-	-
	- Minimum Alternate Tax		-	-	-	-
	- MAT Credit Entitlement		-	-	-	-
	- Deferred tax		-	-	-	-
			-	-	-	-
IX.	Profit (Loss) for the period from continuing operations (VII-VIII)		(2,24,935)	39,533	8,26,330	(5,87,034)
X.	Profit / (loss) for the period from discontinued operations before tax		-	-	-	-
XI.	Tax expense of discontinuing operations		-	-	-	-
XII.	Profit/(loss) from Discontinuing operations (after tax) (X-XI)		-	-	-	-
XIII.	Profit (Loss) for Period (IX+XII)		(2,24,935)	39,533	8,26,330	(5,87,034)
XIV.	Other Comprehensive Income					
	a (i) Items that will not be reclassified to profit or loss		-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-	-
	b (i) Items that will be reclassified to profit or loss		-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-	-
XV.	Total other comprehensive income		-	-	-	-
XVI.	Total Comprehensive Income for the Period (XIII+XV)		(2,24,935)	39,533	8,26,330	(5,87,034)
	Earnings per equity share (for continuing operations) :					
	- Basic (in Rs.)		(22.49)	3.95	82.63	(58.70)
	- Diluted (in Rs.)		(22.49)	3.95	82.63	(58.70)
	Earnings per equity share (for discontinued operations) :					
	- Basic (in Rs.)		-	-	-	-
	- Diluted (in Rs.)		-	-	-	-
	Earnings per equity share (for discontinued and continuing operations) :					
	- Basic (in Rs.)		(22.49)	3.95	82.63	(58.70)
	- Diluted (in Rs.)		(22.49)	3.95	82.63	(58.70)
	Significant Accounting Policies	1				

Refer accompanying notes. These notes are an integral part of the financial statements

For and on behalf of the Board of Directors
TBK Venkataramiah Tile Bath Kitchen Pvt Ltd

Vinod Garg
Director
DIN - 05574052

Tapas Ganshamis
Director
DIN - 06364280

Place : Thane
Date : Jul 29, 2020

TBK Venkataramiah Tile Bath Kitchen Private Limited

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

Statement of changes in equity for the year ended Jun 30, 2020

Other equity	Reserves and Surplus				Items of Other Comprehensive Income		Total
	Capital Redemption reserve	Debenture redemption reserve	General reserve	Retained earnings	Remeasurements of the defined benefit plans	Items of Other Comprehensive Income	
Balance at April 1, 2020	-	-	-	(1,47,89,680)	-	-	(1,47,89,680)
Profit / (Loss) for the peiod	-	-	-	(2,24,936)	-	-	(2,24,936)
Other comprehensive income	-	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(1,50,14,614)	-	-	(1,50,14,614)
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-
Balance at Jun 30, 2020	-	-	-	(1,50,14,614)	-	-	(1,50,14,614)

TBK Venkataramiah Tile Bath Kitchen Private Limited

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

Notes to Financial Statements for the year ended Jun 30, 2020

7 Property, plant and equipment :

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2020	Addition	Disposal	Other Adjustments	As at Jun 30, 2020	As at April 1, 2020	For the year	Elimination on disposal	Other adjustments	As at Jun 30, 2020	As at Jun 30, 2020	As at March 31, 2020
Own Assets:												
Leasehold Improvements	18,32,068	-	-	-	18,32,068	18,32,068	-	-	-	18,32,068	-	-
Computers	58,220	-	-	-	58,220	46,266	-	-	-	46,266	11,954	11,954
Furniture, Fixtures	4,78,630	-	-	-	4,78,630	3,34,000	16,636	-	-	3,50,636	1,27,993	1,44,629
Office Equipment	1,86,430	-	-	-	1,86,430	1,65,498	-	-	-	1,65,498	20,932	20,932
Generator	1,77,711	-	-	-	1,77,711	71,871	3,580	-	-	75,450	1,02,261	1,05,841
Electrical Equipments	1,18,195	-	-	-	1,18,195	85,412	4,254	-	-	89,666	28,529	32,783
Total	28,51,254	-	-	-	28,51,254	25,36,115	24,470	-	-	25,59,585	2,91,669	3,15,139

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2019	Addition	Disposal	Other Adjustments	As at Jun 30, 2019	As at April 1, 2019	For the year	Elimination on disposal	Other adjustments	As at Jun 30, 2019	As at Jun 30, 2019	As at March 31, 2019
Own Assets:												
Leasehold Improvements	18,32,068	-	-	-	18,32,068	18,32,068	-	-	-	18,32,068	-	-
Computers	58,220	-	-	-	58,220	36,881	3,095	-	-	39,975	18,245	21,339
Furniture, Fixtures	4,78,630	-	-	-	4,78,630	2,67,273	16,636	-	-	2,83,909	1,94,720	2,11,356
Office Equipment	1,86,430	-	-	-	1,86,430	1,65,498	-	-	-	1,65,498	20,932	20,932
Generator	1,77,711	-	-	-	1,77,711	57,512	3,580	-	-	61,092	1,16,619	1,20,199
Electrical Equipments	1,18,195	-	-	-	1,18,195	68,348	4,254	-	-	72,602	45,593	49,847
Total	28,51,254	-	-	-	28,51,254	24,27,580	27,565	-	-	24,55,145	3,96,109	4,23,674

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2019	Addition	Disposal	Other Adjustments	As at Mar 31, 2020	As at April 1, 2019	For the year	Elimination on disposal	Other adjustments	As at Mar 31, 2020	As at Mar 31, 2020	As at March 31, 2019
Own Assets:												
Leasehold Improvements	18,32,068	-	-	-	18,32,068	18,32,068	-	-	-	18,32,068	-	-
Computers	58,220	-	-	-	58,220	36,881	9,385	-	-	46,266	11,954	21,339
Furniture, Fixtures	4,78,630	-	-	-	4,78,630	2,67,273	66,727	-	-	3,34,000	1,44,629	2,11,356
Office Equipment	1,86,430	-	-	-	1,86,430	1,65,498	-	-	-	1,65,498	20,932	20,932
Generator	1,77,711	-	-	-	1,77,711	57,512	14,358	-	-	71,871	1,05,841	1,20,199
Electrical Equipments	1,18,195	-	-	-	1,18,195	68,348	17,064	-	-	85,412	32,783	49,847
Total	28,51,254	-	-	-	28,51,254	24,27,580	1,07,535	-	-	25,36,115	3,15,139	4,23,674

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2018	Addition	Disposal	Other Adjustments	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	Other adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Own Assets:												
Leasehold Improvements	18,32,068	-	-	-	18,32,068	17,37,060	95,008	-	-	18,32,068	-	95,008
Computers	58,220	-	-	-	58,220	20,466	16,415	-	-	36,881	21,339	37,754
Furniture, Fixtures	4,78,630	-	-	-	4,78,630	2,00,546	66,727	-	-	2,67,273	2,11,356	2,78,083
Office Equipment	1,86,430	-	-	-	1,86,430	1,65,027	471	-	-	1,65,498	20,932	21,403
Generator	1,77,711	-	-	-	1,77,711	43,154	14,358	-	-	57,512	1,20,199	1,34,557
Electrical Equipments	1,18,195	-	-	-	1,18,195	51,285	17,064	-	-	68,348	49,847	66,911
Total	28,51,254	-	-	-	28,51,254	22,17,538	2,10,042	-	-	24,27,580	4,23,674	6,33,716

TBK Venkataramiah Tile Bath Kitchen Private Limited

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

Note : 3 Non Current Financial Assets - Loans

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Unsecured considered good				
Security Deposits	2,33,910	2,33,910	2,33,910	2,33,910
Total	2,33,910	2,33,910	2,33,910	2,33,910

Note : 4 Other Non Current Assets

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Deposit with statutory authorities (net of provision)	6,000	6,000	6,000	6,000
Deposit with statutory authorities (Disputed Dues)	2,13,600	2,13,600	2,13,600	2,13,600
Total	2,19,600	2,19,600	2,19,600	2,19,600

Note : 5 Inventories

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Stock in Trade	13,37,357	6,96,375	10,34,108	8,34,241
(Valued at lower of cost or net realisable value)				
Total	13,37,357	6,96,375	10,34,108	8,34,241

Note : 6 Trade Receivables

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Secured - Considered Good				
Unsecured - Considered Good	21,28,846	12,87,293	36,71,734	42,17,727
Doubtful	-	-	-	-
	21,28,846	12,87,293	36,71,734	42,17,727
Less: Allowance for doubtful debts (expected credit loss)	-	(1,07,256)	-	(1,07,256)
Total	21,28,846	11,80,037	36,71,734	41,10,471

Note : 7 Cash and Cash Equivalents

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Balances with banks				
- On current accounts	19,75,225	6,48,434	37,181	2,00,882
Cash in hand	1,719	3,528	43,363	73,184
Total	19,76,944	6,51,962	80,544	2,74,066

Note : 8 Bank balances other than above

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Fixed Deposit with Bank	1,00,000	-	1,00,000	-
Total	1,00,000	-	1,00,000	-

Note : 9 Current Tax Assets (Net)

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
TDS Receivable	2,549	-	-	-
Total	2,549	-	-	-

Note : 10 Other Current Assets

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Other receivable	5,080	20,000	47,678	19,175
Prepaid Expenses	-	-	-	9,023
GST Receivable	1,61,780	1,73,939	1,40,969	1,40,969
Total	1,66,860	1,93,939	1,88,647	1,69,167

Note : 11 Share Capital

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Authorised				
10,000 Equity Shares of ₹ 10 each	1,00,000	1,00,000	1,00,000	1,00,000
(Previous Year - 10,000 Equity Shares of ₹ 10 each)				
Total	1,00,000	1,00,000	1,00,000	1,00,000
Issued & Subscribed & Paid up				
10,000 Equity Shares of ₹ 10 each	1,00,000	1,00,000	1,00,000	1,00,000
(Previous Year - 10,000 Equity Shares of ₹ 10 each)				
Total	1,00,000	1,00,000	1,00,000	1,00,000

(a) Reconciliation of No of Shares outstanding

Particulars	As at 30-6-2020	As at 30-6-2019	As at 31-3-2020	As at 31-3-2019
Shares outstanding at the beginning of the year	10,000	10,000	10,000	10,000
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	10,000	10,000	10,000	10,000

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

(b) Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is entitled to one vote per equity share. The share holders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the company in proportion to their shareholding after distribution of all preferential amounts.

(c) Details of Shareholders

Name of Shareholder	As at 30-06-2020		As at 31-03-2020		As at 31-03-2019	
	Total Shares held	As a % of Total Shares	Total Shares held	As a % of Total Shares	Total Shares held	As a % of Total Shares
H & R Johnson (India) TBK Ltd	10,000	100	10,000	100	10,000	100

Note : 12 Other Equity

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Surplus in Statement of Profit and Loss				
Opening balance	(1,47,89,680)	(1,56,16,009)	(1,56,16,009)	(1,60,28,976)
Profit / (Loss) for the year	(2,24,934)	39,532	8,26,329	(6,87,034)
Total	(1,50,14,614)	(1,55,76,477)	(1,47,89,680)	(1,56,16,009)

Note : 13 Non Current Financial Liabilities - Borrowings

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Unsecured				
Loans and advances from related parties (Repayment by December 31, 2021)	82,50,000	82,50,000	82,50,000	82,50,000
Total	82,50,000	82,50,000	82,50,000	82,50,000

Note : 14 Trade Payables

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Total outstanding dues of Micro Enterprises & Small Enterprises	-	-	-	-
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	26,25,663	3,44,056	14,81,803	33,61,500
Total	26,25,663	3,44,056	14,81,803	33,61,500

Note : 15 Other Current Financial Liabilities

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Interest accrued but not due on Loans	47,85,761	41,11,052	46,14,529	39,44,448
Liability for Expenses	50,84,518	60,61,169	57,92,771	60,19,395
Total	98,70,279	1,01,72,221	1,04,07,300	99,63,843

Note : 16 Other Current Liabilities

Particulars	As at 30-6-2020 ₹	As at 30-6-2019 ₹	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Advance from Customers	6,02,109	1,01,930	3,36,293	65,788
Statutory Liabilities	23,230	1,83,226	57,966	1,18,947
Total	6,25,339	2,85,156	3,94,259	1,84,735

TBK Venkataramiah Tile Bath Kitchen Private Limited

TBK VENKATARAMAIAH TILE BATH KITCHEN PRIVATE LIMITED

Note : 17 Revenue from Operations

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Sale of Products & Services	62,69,498	81,05,760	4,07,04,330	3,94,08,422
Other operating revenue	1,38,501	78,981	4,49,860	8,16,495
Total	64,07,935	81,84,749	4,11,54,190	4,02,24,917

Note : 18 Purchases Stock-in-Trade

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Purchase of products	51,12,237	69,74,177	3,61,51,739	3,52,60,052
Total	51,12,237	69,74,177	3,61,51,739	3,52,60,052

Note : 19 Changes in inventories of stock-in-trade

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the end of the year				
Traded Goods	13,37,357	6,96,375	10,34,105	8,34,741
Inventories at the beginning of the year				
Traded Goods	10,34,105	8,34,241	8,34,241	5,98,651
Total	(3,03,248)	1,37,866	(1,99,867)	(2,35,090)

Note : 20 Employee Benefits Expenses

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	3,13,050	3,28,500	13,75,525	19,01,044
Staff welfare expenses	4,372	71,566	77,873	67,234
Total	3,17,422	3,60,066	14,53,358	19,68,278

Note : 21 Finance Cost

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Interest on loan	1,85,116	1,85,116	7,44,635	7,42,500
Total	1,85,116	1,85,116	7,44,635	7,42,500

Note : 22 Other Expenses

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Rent	1,65,300	2,15,825	9,27,150	17,25,000
Bank Charges	3,718	8,222	56,156	36,000
Power & Fuel	2,000	6,000	36,000	30,000
Rates & Taxes	2,500	33,750	44,250	25,001
Travelling & Communication	20,485	44,475	1,88,095	3,14,827
Bad debts	-	-	-	80,220
Repairs to Others	16,709	37,611	1,92,327	1,42,851
Electricity Expenses	25,073	56,150	7,11,219	1,82,866
Printing & Stationery	1,656	3,563	36,521	31,601
Payment to Auditors - as Auditor	11,875	11,875	47,000	47,500
Legal & Professional Charges	10,000	11,000	40,000	48,250
Miscellaneous Expenses	35,641	57,265	3,26,580	2,52,653
Total	2,56,537	4,20,437	20,70,520	29,58,622

TBK Venkataramaiah Tile Bath Kitchen Private Limited

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

2019-2020

Borkar & Muzumdar
Chartered Accountants

Independent Auditor's Report
To the Members of TBK Samiyaz Tile Bath Kitchen Private Limited.

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of TBK Samiyaz Tile Bath Kitchen Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss (including Other Comprehensive Income), 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, the aforesaid Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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

When we read Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

BORKAR & MUZUMDAR
MUMBAI
F.R. NO. 101569W.
CHARTERED ACCOUNTANTS

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Management's Responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the audit of the Financial Statements

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

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

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

- Obtain an understanding of internal 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.

BORKAR & MUZUMDAR
MUMBAI
F.R. NO.
101569W
CHARTERED ACCOUNTANTS

- 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.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure A"** a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

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f) In our opinion considering nature of business, size of operation and organisational structure of the entity, 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 March 31, 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.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the provisions of the Section are not applicable to the Company.

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

   i. The Company does not have pending litigations as at March 31, 2020 which would impact its financial statements.
   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

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CA Deepak Kumar Jain
Partner
UDIN: 20154390AAAAEI5453
M.No: 154390

Mumbai
Date: May 20,2020

Annexure-A to the Auditors' Report
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of TBK Samiyaz Tile Bath Kitchen Private Limited)

1. **PROPERTY, PLANT AND EQUIPMENT**

   a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

   c. According to the information and explanation given to us and on the basis of our examination of the records, Company does not have any Immovable properties. Hence the paragraph 3(i) (c) of the Order is not applicable to the Company.

2. During the Operating cycle of Company, Management regularly conduct physical verification of Finished Goods which in our opinion is reasonable, having regard to the size and nature of the Company. The discrepancies noticed on such verification were not significant and the same have been properly dealt with in the books of account.

3. The Company has not granted any secured loans and unsecured loans to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence the paragraph 3(iii) of the Order is not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the Company has not made any investment, provided any Loan, security and guarantee, so provision of Section 185 and 186 of the Companies Act, 2013 is not applicable.

5. The Company has not accepted any deposits from the public.

6. The Company is in the business of trading, hence the paragraph 3(vi) of the Order is not applicable to the Company.

7. **STATUTORY DUES**

   a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including income Tax, goods and service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

   According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, goods and service tax cess and other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

   b. According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, goods and service tax and value added tax which have not been deposited with the appropriate authorities on account of any dispute.

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8. In our opinion and according to the information and explanation given to us the Company has not defaulted in repayment of loans or borrowings to the bank. The Company has not issued any debentures.

9. The Company have not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. According to the information and explanations give to us and based on our examination of the records of the Company, the provisions of Section 197 read with Schedule V to the Companies Act, 2013 is not applicable to Company.

12. 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.

13. 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 the Section 188 of the Companies Act, 2013. Details of transactions with the related parties have been disclosed in the financial statements as required by applicable Indian Accounting Standards. However, the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.

14. According the information and explanations given 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.

15. 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 him. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

CA Deepak Kumar Jain
Partner
UDIN: 20154390AAAAEC5453
M.No: 154390

Mumbai
Date: May 20,2020

Note 1: Significant Accounting Policies

Background

TBK Samiyaz Tile Bath Kitchen Pvt Ltd. is a Subsidiary of **H. & R. Johnson (India) TBK Limited**, in the business of trading in Tiles, Bathroom Fittings & Kitchen.

Authorization of financial statements

The Financial Statements were authorized for issue in accordance with a resolution of the directors on 20th May 2020.

Summary of significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the presentation of the standalone financial statements.

A. Basis of Preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values.

B. Rounding of amounts

All amounts disclosed in the financial statement and notes have been rounded off to the nearest Rupees, except where otherwise indicated.

C. Current versus non-current classification

The Company presents its assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

a) it is expected to be settled in normal operating cycle;

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b) it is held primarily for the purpose of trading;
c) it is due to be settled within twelve months after the reporting period; or
d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

D. Use of judgements, estimates & assumptions

While preparing financial statements in conformity with Ind AS, the Company makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on the estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and Judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

a) Fair value of Financial Assets and Financial liabilities;
b) The useful lives of, or expected pattern of consumption of the future economic benefits embodied in, depreciable assets;
c) Valuation of inventories and Inventory obsolescence;
d) Provisions and Bad Debts;
e) Evaluation of recoverability of deferred tax assets; and
f) Contingencies.

E. Revenue Recognition

(i) Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods at which time all of the following conditions are satisfied:

- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns including allowances, trade

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discounts and volume rebates but does not include Goods & Service Tax (GST).

F. Property, Plant and equipment

a) Property, plant and equipment are stated at historical cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

b) When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Cost of major inspection is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of Profit or Loss as incurred.

c) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net realisable value and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

d) The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted prospectively.

e) Free hold Land is not depreciated. Lease arrangements for land are identified as finance lease in case such arrangements result in transfer of the related risks and rewards to the Company.

f) Stores and Spares which meet the definition of property plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.

g) Depreciation on Property, Plant & Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Company has assessed the estimated useful lives of its property, plant and equipment and has adopted the useful lives and residual value as prescribed in Schedule II. The estimated useful life of assets are as follows:

Assets	Useful life of asset
Leasehold Improvements	7 years
Building	60 years
Generator	15 years
Electrical Installations	10 years
Office Equipments	5 Years
Computer Equipments	3 Years
Furniture and fixtures	10 years

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Vehicles	8 years
Assets acquired under the finance lease	Over the primary lease period and secondary lease period if renewable at nominal cost, if any

Depreciation on stores and spares specific to an item of property, plant and equipment is based on life of the related property, plant and equipment.

h) In line with the provisions of Schedule II of the Companies Act 2013, the Company depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components has been assessed based on the historical experience.

G. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit or Loss in the period in which the expenditure is incurred.

Cost of Software directly identified with hardware is capitalized along with the cost of hardware. Application software is capitalized as Intangible Asset.

Intangible assets with finite lives are amortized on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at each year end. The amortization expense on intangible assets with finite lives and impairment loss is recognised in the Statement of Profit and Loss.

Estimated lives for current and comparative periods in relation to application of straight line method of amortization of intangible assets (acquired) are as follows:

Assets	Useful life of asset
Software	3 years

H. Impairment of Assets

Carrying amount of Tangible and Intangible Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash

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inflows from other assets or Company's assets (cash-generating units). Non- financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impaiment at the end of each reporting period.

I. Inventories

Inventories are valued on weighted average cost or net realizable value whichever is lower after providing for cost of obsolescence and other anticipated losses, wherever considered necessary.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

J. Trade Receivable

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

Trade receivables expected in one year or less, they are classified as current assets. If not they are presented as non-current assets.

K. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown with in borrowings in current liabilities in the Balance Sheet.

L. Share Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

M. Financial Instruments

Financial Assets

Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit or loss), and
- those measured at amortised cost

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The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are either recorded in statement of profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) **Measurement**

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) 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 amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 – Revenue, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity instruments

The company subsequently measures all equity investments at fair value. Dividends from such investments are recognised in statement of profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss.

(iii) **Derecognition**

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

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

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend income

Dividends are recognised in statement of profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, financial guarantee contracts or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

(ii) Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using effective interest method or at FVTPL. The subsequent measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

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Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished and the consideration paid is recognised in statement of profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Trade payables

These amounts represent liabilities for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method

Financial guarantee contracts

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

(iii) Derecognition

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

(iv) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other Income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

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Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

N. 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 asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

The Company ceases capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

O. Provisions, Contingent liabilities, Contingent Assets

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the company recognizes any impairment loss on the assets associated with that contract.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the company.

Contingent liabilities are disclosed in the case of:

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- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from the past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent Assets is disclosed when inflow of economic benefits is probable.

Contingent Liabilities in respect of show-cause notices are considered only when converted into demands.

P. Gratuity

Provision for liability on account of gratuity obligation is made as per the method stipulated in the Payment of Gratuity Act, 1972.

Q. Taxes on Income

Current Tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax are recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets 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 deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK Samiyaz Tile Bath Kitchen Private Limited

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

R. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

S. Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.
The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April 2019. The Company also elected to use the recognition exemptions for lease contracts. The Company assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK Samiyaz Tile Bath Kitchen Private Limited

estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

Lease Liabilities
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor
Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

T. Fair Value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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:

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK Samiyaz Tile Bath Kitchen Private Limited

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED
CIN : U45200MH1996PLC101892

REGISTERED OFFICE : G 5-10, GROUND FLOOR, PLOT NO. 6, SAVITA RAJ COMPLEX, KALA MANAK FLAT OWNERS SOCIETY, CIDCO NEW AURANGABAD MH 431003 IN

STATEMENT OF ASSETS & LIABILITIES AS AT MARCH 31, 2020

Amount in ₹

Sr. No.	Particulars	Audited Year Ended as at 31-Mar-20	31-Mar-19
A	ASSETS		
1	**Non Current Assets :**		
(a)	Property, Plant and Equipment	15,39,112	21,07,319
(b)	Financial Assets		
(i)	Loans	1,20,000	10,70,000
(c)	Deferred Tax Assets (net)	-	5,70,765
(d)	Other non-current assets	-	60,000
	Total	16,59,112	38,08,104
2	**Current Assets :**		
(a)	Inventories	-	1,87,59,585
(b)	Financial Assets		
(i)	Trade receivables	-	14,52,053
(ii)	Cash and cash equivalents	25,026	55,404
(iii)	Bank balances other than (ii) above	1,00,000	-
(c)	Current Tax Assets (net)	-	10,624
(d)	Other current assets	26,203	3,73,984
	Total	1,51,229	2,06,91,661
	Total Assets	18,10,341	2,44,99,764
B	EQUITY AND LIABILITIES		
1	Equity :		
(a)	Equity Share Capital	8,30,000	8,30,000
(b)	Other Equity	(81,33,997)	23,12,752
	Total	(73,03,997)	31,42,752
2	Liabilities :		
I	**Non Current Liabilities :**		
(a)	Financial Liabilities		
(i)	Borrowings	19,00,000	19,00,000
(b)	Provisions	-	11,13,267
	Total	19,00,000	30,13,267
II	**Current Liabilities :**		
(a)	Financial Liabilities		
(i)	Borrowings	-	65,49,492
(ii)	Trade payables	58,62,981	88,35,099
(iii)	Other financial liabilities	13,30,607	23,76,615
(b)	Other current liabilities	20,750	5,82,539
	Total	72,14,338	1,83,43,745
	Total Equity and Liabilities	18,10,341	2,44,99,764

Note :
1 Figures of the previous year have been regrouped wherever necessary.

For Borkar & Muzumdar
Chartered accountants
(Firm Registration No. 101569W)

Deepak Kumar Jain
Partner
Membership No. 154390

Place : Mumbai
Date : May 20, 2020

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
TBK Samiyaz Tile Bath Kitchen Private Limited

Anoop Sreekumar
Director
DIN - 03404325

Vinod Garg
Director
DIN - 08574952

Place : Thane
Date : May 20, 2020

TBK Samiyaz Tile Bath Kitchen Private Limited

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED
U26916MH2007PTC176528

REGISTERED OFFICE : G 5-10, GROUND FLOOR, PLOT NO. 6, SAVITA RAJ COMPLEX,
KALA MANAK FLAT OWNERS SOCIETY, CIDCO NEW AURANGABAD MH 431003 IN

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

Amount in ₹

Sr. No.	Particulars	Standalone Quarter Ended			Standalone Year Ended	
		31-Mar-20 Audited	31-Dec-19 Unaudited	31-Mar-19 Audited	31-Mar-20 Audited	31-Mar-19 Audited
1	**Income from operations :**					
(a)	Net Sales	56,951	31,59,752	77,67,389	96,49,332	3,25,58,596
(b)	Other Income from operations	-	-	-	-	-
	Total Income from operations	56,951	31,59,752	77,67,389	96,49,332	3,25,58,598
2	**Expenses :**					
(a)	Cost of materials consumed	-	-	-	-	-
(b)	Purchases of stock-in-trade	-	-	66,08,143	5,703	2,72,96,434
(c)	Stores and spares consumed	-	-	-	-	-
(d)	Power & fuel	-	-	-	-	-
(e)	Excise Duty	-	-	-	-	-
(f)	Employee benefits expense	-	(7,00,384)	13,46,701	(11,13,287)	49,00,631
(g)	Freight outward	-	-	-	-	-
(h)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	1,04,441	1,87,59,585	6,24,405
(i)	Depreciation and amortisation expense	56,560	63,494	64,175	2,40,766	2,70,780
(j)	Other expences	1,06,940	78,854	13,98,001	15,73,715	47,13,058
	Total Expenses	1,63,500	(6,48,036)	95,21,521	1,94,72,502	3,78,05,368
3	Profit / (Loss) from operations before Other Income, Finance cost and Exceptional items (1-2)	(1,06,549)	38,07,788	(17,54,132)	(98,23,171)	(52,46,770)
4	Other Income	-	-	-	-	-
5	Profit from ordinary activities before Finance cost and Exceptional items (3+4)	(1,06,549)	38,07,788	(17,54,132)	(98,23,171)	(52,46,770)
6	Finance cost	-	-	2,78,575	52,793	10,74,296
7	Profit / (Loss) from ordinary activities before Exceptional items (5-6)	(1,06,549)	38,07,788	(20,32,707)	(98,75,964)	(63,21,066)
8	Exceptional items	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before Tax (7(+/-)8)	(1,06,549)	38,07,788	(20,32,707)	(98,75,964)	(63,21,066)
10	Tax expenses	-	5,28,985	23,494	5,70,785	70,126
11	**Net Profit / (Loss) for the period (9-10)**	(1,06,549)	32,78,803	(20,56,201)	(1,04,46,749)	(63,91,192)
12	Other Comprehensive Income (net of tax)	-	-	-	-	-
13	**Total Comprehensive Income (after tax) (11+12)**	(1,06,549)	32,78,803	(20,56,201)	(1,04,46,749)	(63,91,192)
14	Paid-up Equity Share Capital (Face value ₹ 10/- per share)	8,30,000	8,30,000	8,30,000	8,30,000	8,30,000
15	Networth				(73,03,997)	31,42,752
16	Earning Per Share - (Basic diluted and not annualised) (₹)	(1.28)	39.50	(24.77)	(125.86)	(77.00)

Notes :

1 Results for the quarter and year ended March 31, 2020 and for the quarter ended December 31, 2019 are in compliance with Indian Accounting Standard (Ind AS). The results for the quarter and year ended March 31, 2019 have been restated to comply with Ind AS.

2 Figures for the previous periods have been regrouped wherever necessary

For Borkar & Muzumdar
Chartered accountants
(Firm Registration No. 101569W)

Deepak Kumar Jain
Partner
Membership No. 154390

Place : Mumbai
Date : May 20, 2020

BORKAR & MUZUMDAR
MUMBAI
F.R. NO.
101569W
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
TBK Samiyaz Tile Bath Kitchen Private Limited

Anoop Sreekumar
Director
DIN 07904375

Vinod Garg
Director
DIN - 06574892

Place : Thane
Date : May 20, 2020

TBK Samiyaz Tile Bath Kitchen Private Limited

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED
Balance Sheet as at March 31, 2020

(Amount in ₹)

		Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
I		**Assets**			
	1	**Non Current Assets**			
		a. Property, Plant and Equipment	2	15,30,112	21,07,319
		b. Capital work-in-progress		-	-
		c. Investment Property		-	-
		d. Goodwill		-	-
		e. Other Intangible assets	2	-	-
		f. Intangible assets under development		-	-
		g. Biological Assets other than bearer plants		-	-
		h. Financial Assets			
		(i) Investments		-	-
		(ii) Trade receivables		-	-
		(iii) Loans	3	1,20,000	10,70,000
		(iv) Others (to be specified)		-	-
		i. Deferred tax assets (net)	4	-	5,70,785
		j. Other non-current assets	5	-	60,000
		Total Non Current Assets		**16,50,112**	**38,08,104**
	2	**Current Assets**			
		a. Inventories	6	-	1,67,60,585
		b. Financial Assets			
		(i) Investments		-	-
		(ii) Trade receivables	7	-	14,92,063
		(iii) Cash and cash equivalents	8	25,026	55,404
		(iv) Bank balances other than (iii) above	9	1,00,000	-
		(v) Loans		-	-
		(vi) Others (to be specified)		-	-
		c. Current Tax Assets (Net)	10	-	10,624
		d. Other current assets	11	26,203	3,73,984
		Total Current Assets		**1,51,229**	**2,06,91,661**
		Total Assets		**18,10,341**	**2,44,99,764**
II		**EQUITIES AND LIABILITIES**			
	1	**Equity**			
		a. Equity Share Capital	12	8,30,000	8,30,000
		b. Other Equity	13	(81,33,997)	23,12,752
		Total Equity		**(73,03,997)**	**31,42,752**
		Liabilities			
	2	**Non Current Liabilities**			
		a. Financial Liabilities			
		(i) Borrowings	14	19,00,000	19,00,000
		(ii) Trade payables		-	-
		(iii) Other financial liabilities (to be specified)		-	-
		b. Provisions	15	-	11,13,267
		c. Deferred tax liabilities (Net)		-	-
		d. Other non-current liabilities		-	-
		Total Non Current Liabilities		**19,00,000**	**30,13,267**
	3	**Current Liabilities**			
		a. Financial Liabilities			
		(i) Borrowings	16	-	65,49,492
		(ii) Trade payables			
		Total outstanding dues of Micro Enterprises & Small Enterprises		-	-
		Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	17	58,62,981	88,35,099
		(iii) Other financial liabilities (to be specified)	18	13,30,607	23,76,615
		b. Other current liabilities	19	20,750	5,82,539
		c. Provisions		-	-
		d. Current Tax Liabilities (Net)		-	-
		e. Liabilities directly associated with assets classified as held for sale		-	-
		Total Current Liabilities		**72,14,338**	**1,83,43,745**
		Total Equities and Liabilities		**18,10,341**	**2,44,99,764**
		Summary of Significant accounting policies	1		

Refer accompanying notes. These notes are an integral part of the financial statements

As per our report of even date
For Borkar & Muzumdar
Chartered Accountants
Firm Registration no.101569W

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

Deepak Kumar Jain
Partner
Membership No. 15430

Place : Mumbai
Date : May 20, 2020

For and on behalf of the Board of Directors of
TBK Samiyaz Tile Bath Kitchen Private Limited

Anoop Sreekumar
Director
DIN - 08404325

Vinod Garg
Director
DIN - 08574952

Place : Thane
Date : May 20, 2020

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

Statement of Profit & Loss for the period ended March 31, 2020

(Amount in ₹)

	Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
I.	Revenue from operations	20	96,49,332	3,25,58,598
II.	Other Income		-	-
III.	**Total Income (I + II)**		**96,49,332**	**3,25,58,598**
IV.	**Expenses:**			
	Cost of materials consumed			
	Purchases of Stock-in-Trade	21	5,703	2,72,96,434
	Changes in inventories of Finished goods, work in progress and Stock-in-Trade	22	1,87,69,585	6,24,465
	Excise duty on sale of goods		-	-
	Manufacturing expenses		-	-
	Employee benefits expense	23	(11,13,267)	49,00,631
	Finance costs	24	52,703	10,74,296
	Depreciation and amortization expense	2	2,46,766	2,70,780
	Impairment loss on financial assets		-	-
	Impairment loss on non current assets	25	(44,377)	-
	Other expenses	26	16,18,032	47,13,058
	Total expenses (IV)		**1,95,25,296**	**3,88,79,664**
V.	**Profit / (loss) before exceptional and tax (III-IV)**		**(98,75,964)**	**(63,21,066)**
VI.	Exceptional items			-
VII.	**Profit / (loss) before tax (V-VI)**		**(98,75,964)**	**(63,21,066)**
VIII.	Tax expense.	27		
	- Current tax		-	-
	- Minimum Alternate Tax		-	-
	- MAT Credit Entitlement		-	-
	- Deferred tax		6,70,785	70,126
			6,70,785	70,126
XI.	**Profit (Loss) for the period from continuing operations (VII-VIII)**		**(1,04,46,749)**	**(63,91,192)**
X.	Profit / (loss) for the period from discontinued operations before tax			-
XI.	Tax expense of discontinuing operations			-
XII.	**Profit/(loss) from Discontinuing operations (after tax) (X-XI)**		-	-
XIII.	**Profit (Loss) for Period (IX+XII)**		**(1,04,46,749)**	**(63,91,192)**
XIV.	**Other Comprehensive Income**			
	a (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	b (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV.	**Total other comprehensive Income**		-	-
XVI.	**Total Comprehensive Income for the Period (XIII+XV)**		**(1,04,46,749)**	**(63,91,192)**
XVII.	Earnings per equity share (for continuing operations) .			
	- Basic (in Rs.)		(125.86)	(77.00)
	- Diluted (in Rs.)		(125.86)	(77.00)
	Earnings per equity share (for discontinued operations) :			
	- Basic (in Rs.)		-	-
	- Diluted (in Rs.)		-	-
	Earnings per equity share (for discontinued and continuing operations)			
	- Basic (in Rs.)		(125.86)	(77.00)
	- Diluted (in Rs.)		(125.86)	(77.00)
Significant Accounting Policies		1		

Refer accompanying notes. These notes are an integral part of the financial statements

As per our report of even date
For Borkar & Muzumdar
Chartered Accountants
Firm Registration no.101569W

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

Deepak Kumar Jain
Partner
Membership No. 104390

Place : Mumbai
Date : May 20, 2020

For and on behalf of the Board of Directors of
TBK Samiyaz Tile Bath Kitchen Private Limited

Anoop Sreekumar
Director
DIN - 03404325

Vinod Garg
Director
DIN - 08574952

Place : Thane
Date : May 20, 2020

TBK Samiyaz Tile Bath Kitchen Private Limited

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

Cash Flow Statement for the year ended March 31, 2020

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from operating activities		
Profit Before Tax from Continuing Operations	(98,75,964)	(63,21,066)
Profit Before Tax from Discontinuing Operations	-	-
Profit before income tax including discontinued operations	**(98,75,964)**	**(63,21,066)**
Non-cash Adjustment to Profit Before Tax:		
Depreciation and amortization expense	2,46,765	2 70,780
Provision/(Reversal) of Gratuity	(11,13,267)	1,52,402
Gain on disposal of property, plant and equipment	-	-
Gain on sale of investments	-	-
Dividend and interest income classified as investing cash flows	-	-
Finance costs	52,793	10,74,296
	(1,06,89,672)	**(48,23,687)**
Change in operating assets and liabilities ;		
Decrease/(increase) in trade receivables	14,92,063	9,23,056
Decrease/(increase) in inventories	1,87,59,505	6,24,465
Increase/(decrease) in trade payables	(29,72,118)	43,69,448
Decrease/(increase) in other non-current assets	60,000	50,111
Decrease/(increase) in other current assets	3,47,781	(1,15,059)
Decrease/(increase) in Current Tax Assets (Net)	10,624	-
Increase/(decrease) in other financial Liabilities	96,951.00	(24,210)
Increase/(decrease) in other current liabilities	(5,61,789)	(11,72,889)
Decrease/(increase) in long-term loans and advances	9,50,000	-
Cash generated from operations	**74,93,425**	**(1,68,666)**
Direct taxes paid (net of refunds)	-	-
Net cash flow from/(used in) operating activities (A)	**74,93,425**	**(1,68,666)**
Cash flow from investing activities		
Payments for acquisition of property, plant and equipment	-	-
Investment in Fixed Deposit	(1,00,000)	-
Proceeds from sale of property, plant and equipment	3,21,440	-
Repayment of loans by employees and related parties	-	-
Interest received	-	-
Dividends received	-	-
Net cash flow from/(used in) investing activities (B)	**2,21,440**	**-**
Cash flows from financing activities		
Proceeds from borrowings	-	-
Repayments of borrowings	(65,49,493)	6,75,303
Interest paid	(11,95,751)	(6,38,979)
Net cash flow from/(used in) in financing activities (C)	**(77,45,244)**	**36,324**
Net increase/(decrease) in cash and cash equivalents (A+B+ C)	(30,378)	(1,32,342)
Effect of exchange differences on cash & cash equivalent held in foreign currency		-
Cash and cash equivalents at the beginning of the year	55,404	1,87,746
Cash and cash equivalents at the end of the year	**25,026**	**55,404**
Non-cash financing and investing activities	-	-
Acquisition of property, plant and equipment by means of finance lease	-	-
	-	-
Reconciliation of cash and cash equivalents as per the cash flow statement :		
Cash and cash equivalents	25,026	55,404
Balance as per the cash flow statement :	**25,026**	**55,404**
Significant accounting policies		

As per our report of even date
For Borkar & Muzumdar
Chartered Accountants
Firm Registration no.101569W

Deepak Kumar Jain
Partner
Membership No. 15439[illegible]

Place : Mumbai
Date : May 20, 2020

BORKAR & MUZUMDAR
MUMBAI
F.R. NO.
101569W
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
TBK Samiyaz Tile Bath Kitchen Private Limited

Anoop Sreekumar
Director
DIN - 0[illegible]

Vinod Garg
Director
DIN - 08574952

Place : Thane
Date : May 20, 2020

TBK Samiyaz Tile Bath Kitchen Private Limited

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

Statement of changes in equity for the period ended Mar 31, 2020

Equity share capital	Amount
Balance at March 31, 2019	8,30,000
Changes in equity share capital during the year	
Balance at March 31, 2020	8,30,000

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK Samiyaz Tile Bath Kitchen Private Limited

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

Statement of changes in equity for the period ended Mar 31, 2020 - continued

Other equity	Reserves and Surplus					Items of Other Comprehensive Income		Total
	Capital Redemption reserve	Debenture redemption reserve	General reserve	Securities Premium	Retained earnings	Remeasurements of the defined benefit plans	Items of Other Comprehensive Income *(specify nature)*	
Balance at April 1, 2018	-	-	-	52,19,000	(29,06,248)	-	-	23,12,752
Profit / (Loss) for the year	-	-	-	-	(1,04,46,746)	-	-	(1,04,46,749)
Other comprehensive income	-	-	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	52,19,000	(1,33,52,997)	-	-	(81,33,997)
Dividends	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-
Balance as at Mar 31, 2020	-	-	-	52,19,000	(1,33,52,997)	-	-	(81,33,997)

& MUZUMDAR ★ ... ERED ACCO...

TBK Samiyaz Tile Bath Kitchen Private Limited ★

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

Notes to Financial Statements for the year ended Mar 31, 2020

2 Property, plant and equipment :

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2019	Addition	Disposal	Other Adjustments	As at Mar 31, 2020	As at April 1, 2019	For the Year	Elimination on disposal	Other adjustments	As at Mar 31, 2020	As at Mar 31, 2020	As at March 31, 2019
Own Assets:												
Plant & Machinery	8,01,322	-	1,93,936	-	6,07,386	2,10,191	59,536	92,230	-	1,77,496	4,29,889	5,91,131
Computers	83,354	-	-	-	83,354	60,995	8,523	-	-	69,518	13,835	22,359
Furniture, Fixtures	21,68,479	-	5,55,633	-	16,12,845	8,44,439	1,53,544	4,08,976	-	5,89,006	10,23,839	13,24,040
Vehicles	2,38,843	-	2,38,843	-	-	1,65,765	-	1,65,765	-	0	-0	73,078
Office Equipment	2,62,777	-	-	-	2,62,777	1,66,065	25,163	-	-	1,91,228	71,549	96,711
Total	35,54,774	-	9,88,412	-	25,66,361	14,47,455	2,46,766	6,66,971	-	10,27,250	15,39,112	21,07,319

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2018	Addition	Disposal	Other Adjustments	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	Other adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Own Assets:												
Plant & Machinery	8,01,322	-	-	-	8,01,322	1,45,101	65,089	-	-	2,10,191	5,91,131	6,56,220
Computers	83,354	-	-	-	83,354	50,555	10,440	-	-	60,995	22,359	32,799
Furniture, Fixtures	21,68,479	-	-	-	21,68,479	6,84,844	1,59,595	-	-	8,44,439	13,24,040	14,83,635
Vehicles	2,38,843	-	-	-	2,38,843	1,61,880	3,885	-	-	1,65,765	73,078	76,963
Office Equipment	2,62,777	-	-	-	2,62,777	1,34,294	31,771	-	-	1,66,065	96,711	1,28,462
Total	35,54,774	-	-	-	35,54,774	11,76,674	2,70,780	-	-	14,47,455	21,07,319	23,78,099

BORKAR & MUZUMDAR
MUMBAI
F. R. NO. 101569W
CHARTERED ACCOUNTANTS

TBK Samiyaz Tile Bath Kitchen Private Limited

TBK Samiyaz Tile Bath Kitchen Private Limited

Note : 3 Other Non Current Financial Assets - Loans

Particulars	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Unsecured Considered good		
Secured Deposits	1,20,000	10,70,000
Total	1,20,000	10,70,000

Note : 4 Deferred Tax assets/ Liabilities (net)

Particulars	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Defferred Tax Assets:		
- Difference between Net block as per Companies Act and Income tax Act	-	5,70,785
- Expenses provided but allowable in Income Tax on payment	-	
Net deffered tax Asset	-	5,70,785

Note : 5 Other Non Current Assets

Particulars	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Deposit with statutory authorities (Net of provision)	-	-
Deposit Under Dispute with statutory authorities	-	60,000
Total	-	60,000

Note : 6 Inventories

Particulars	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Stock in Trade	-	1,87,56,585
(Valued at lower of cost or net realisable value)		
Total	-	1,87,56,585

Note : 7 Trade Receivables

Particulars	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Secured - Considered Good	-	
Unsecured - Considered Good	-	15,36,440
Doubtful	-	-
	-	15,36,440
Less : Allowance for doubtful debts (expected credit loss)	-	(44,377)
Total	-	14,92,063

Note : 8 Cash and Cash Equivalents

Particulars	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Balances with banks		
- On current accounts	25,026	21,658
Cash in hand	-	33,446
Total	25,026	55,104

Note : 9 Bank balances other than above

Particulars	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Fixed Deposit with Bank	1,00,000	-
Total	1,00,000	-

Note : 10 Current Tax Assets

Particulars	As at 31-03-2020 ₹	As at 31-3-2019 ₹
TDS Receivable	-	10,624
Total	-	10,624

Note : 11 Other Current Assets

Particulars	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Prepaid Expenses	-	8,008
GST Receivable	25,040	-
Advance paid to suppliers	1,163	3,65,676
Total	26,203	3,73,684

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK Samiyaz Tile Bath Kitchen Private Limited

TBK Samiyaz Tile Bath Kitchen Private Limited

Note : 12 Share Capital

Particulars	As at 31-12-2019 ₹	As at 31-3-2019 ₹
<u>Authorised</u>		
83,000 Equity Shares of ₹10 each (previous year: 83,000 Equity Shares of ₹ 10 each)	8,30,000	8,30,000
TOTAL	8,30,000	8,30,000
<u>Issued & Subscribed & Paid up</u>		
83,000 Equity Shares of ₹10 each (previous year: 83,000 Equity Shares of ₹ 10 each)	8,30,000	8,30,000
TOTAL	8,30,000	8,30,000

a) Reconciliation of number of Shares outstanding

Particulars	As at 31-03-2020	As at 31-3-2019
Shares outstanding at the beginning of the year	83,000	83,000
Share issue during the year	-	-
Shares outstanding at the end of the year	83,000	83,000

b) Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is entitled to one vote per equity share. The shareholders are entitled to dividend declared on proportionate basis. On liquidation of the Company , the equity shareholders are eligible to receive remaining assets of the company in proporation to thier shareholding after distribution of all preferential amounts.

c) Details of Shareholders holding more than 5% of the issued shares

Name of Shareholder	As at 31-03-2020		As at 31-03-2019	
	Total Shares held	As a % of Total Shares	Total Shares held	As a % of Total Shares
H & R Johnson (India) TBK Ltd	83,000	100	58,000	70
Sajid Khan Jointly with Imran Pathan	-	-	25,000	30

Note : 13 Other Equity

Particulars	As at 31-03-2020 ₹	As at 31-3-2019 ₹
a. Securities Premium Account		
Opening Balance	52,19,000	52,19,000
Add : Securities premium credited on Share issue		-
Total	52,19,000	52,19,000
b.Surplus in Statement of Profit and Loss		
Opening balance	(29,06,248)	34,84,944
Profit / (Loss) for the year	(1,04,46,749)	(63,91,192)
Closing Balance	(1,33,52,997)	(29,06,248)
Total	(81,33,997)	23,12,752

Note : 14 Non Current Financial Liabilities - Borrowings

Particulars	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Unsecured		
Loan from Related parties (Repayment by December 31, 2021)	19,00,000	19,00,000
Total	19,00,000	19,00,000

Note : 15 Non Current Liabilities - Provisions

Particulars	As at 31-03-2020 ₹	As at 31-3-2019 ₹
For employee benefits		
Provision for Gratuity	-	11,13,267
Total	-	11,13,267

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK Samiyaz Tile Bath Kitchen Private Limited

TBK Samiyaz Tile Bath Kitchen Private Limited

Note : 16 Current Financial Liabilities - Borrowings

Particulars	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Secured		
Loans repayable to Banks		
- Repayble on demand	-	40,49,493
Unsecured Loans :		
Loan from Related parties	-	19,00,000
Total	-	59,49,493

Note : 17 Trade Payables

Particulars	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Total outstanding dues of Micro Enterprises & Small Enterprises	-	-
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	58,62,981	88,35,099
Total	58,62,981	88,35,099

Note : 18 Other Current Financial Liabilities

Particulars	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Interest accrued but not due on loans	12,18,656	23,61,615
Liability for Expenses	1,11,951	15,000
Total	13,30,607	23,76,615

Note : 19 Other Current Liabilities

Particulars	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Advance from Customers	-	5,66,087
Statutory Liabilities	20,760	16,453
Total	20,760	5,82,540

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK Samiyaz Tile Bath Kitchen Private Limited

TBK Samiyaz Tile Bath Kitchen Private Limited

Note : 20 Revenue from operations

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Sales of product & services	61,74,854	3,22,27,820
Other operating revenue	34,74,478	3,30,778
Total	**96,49,332**	**3,25,58,598**

Note : 21 Purchase of Stock In Trade

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Purchases of products	5,703	2,72,96,434
Total	**5,703**	**2,72,96,434**

Note : 22 Changes in Inventories of Stock-In-Trade

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the end of the year		
Stock-in-trade	-	1,87,69,585
Inventories at the beginning of the year		
Stock-in-trade	1,87,69,585	1,93,94,050
Total	**1,87,69,585**	**6,24,465**

Note : 23 Employee Benefits Expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries,wages Bonus and Gratuity	(11,13,267)	39,00,566
Director Remuneration	-	9,00,000
Welfare and other expenses	-	1,00,065
Total	**(11,13,267)**	**49,00,631**

Note : 24 Finance Cost

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest on Loan	-	4,85,907
Bank Interest	52,793	5,88,389
Total	**52,793**	**10,74,296**

Note : 25 Impairment loss on financial assets

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Impairment loss allowance on trade receivables	(44,377)	-
Total	**(44,377)**	**-**

Note : 26 Other Expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rent	-	28,40,400
Bank Charges	29,832	15,813
Electricity Expenses	23,840	2,54,240
Advertisement, Sales Promotion & Marketing Expenses	-	69,693
Travelling & Communication	-	3,20,063
Repairs & Maintenance	-	3,45,465
Rates & Taxes	2,80,120	2,76,802
Insurance	8,008	57,304
Payment to Auditors - as auditor	12,500	40,000
- other services	-	15,000
- for reimbursement of expenses	-	9,659
Legal & Professional Charges	14,263	43,361
Miscellaneous Expenses	12,49,529	4,25,159
Total	**16,18,092**	**47,13,058**

Note : 27 Tax Expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current tax assets		
In respect of the current year	-	-
	-	-
Deferred tax		
In respect of the current year	5,70,785	70,126
	5,70,785	70,126
Total income tax expense recognised in the current year	**5,70,785**	**70,126**

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK Samiyaz Tile Bath Kitchen Private Limited

TBK SAMIYAZ TILE BATH KITCHEN PVT LTD

Note 28 : **EARNINGS PER SHARE**

(Amount in ₹)

Particulars	As At March 31,2020	As At March 31,2019
Profit / (Loss) for the year	(1,04,46,749)	(63,91,192)
Weighted Average Number of Equity Shares	83,000	83,000
Nominal value of shares	10	10
Basic Earnings / (Loss) Per Share	(125.86)	(77.00)

Note 29 :

The disclosure in respect of the amounts payable to such micro, small and medium enterprises as at March 31, 2020 has been made on the basis of information received from suppliers.

Note 30 :

The company has reversed for gratuity amounting to ₹ 11,13,267 (P.Y. provided for ₹ 1,52,402/-) on the method stipulated under the Payment of Gratuity Act, 1972. The company does not offer any other benefits to its employees.

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

TBK Samiyaz Tile Bath Kitchen Private Limited

TBK SAMIYAZ TILE BATH KITCHEN PVT LTD

Note 31 : RELATED PARTY DISCLOSURE

a) Name of Related Parties

Parent Company

1 Prism Johnson Limited

Enterprise under common control

1 TBK Dezinar's Home Private Limited - (upto - 24/06/2019)
2 TBK Deepgiri Tile Bath Kitchen Private Limited
3 TBK Unique Jalgaon Tile Bath Kitchen Private Limited
4 TBK Krishna Tile Bath Kitchen Private Limited - (upto - 21/06/2019)
5 TBK Rangoli Tile Bath Kitchen Private Limited.
6 TBK P B Shah Tile Bath Kitchen Private Limited. - (upto - 21/03/2020)
7 TBK Sanitary Sales Private Limited.
8 TBK Florance Ceramics Private Limited.
9 TBK Venkataramiah Tile Bath Kitchen Private Limited.
10 TBK Prathap Tile Bath Kitchen Private Limited.
11 TBK Rathi Sales Agencels Private Limited - (upto - 14/11/2019)
12 TBK Rishi Ceramics Private Limited - (upto - 23/10/2019)
13 TBK Shree Ganesh Traders Private Limited- (upto - 14/11/2019)
14 TBK Home Trends Private Limited - (upto - 19/10/2019)
15 TBK Aishwarya Tile Bath Kitchen Private Limited - (upto - 24/10/2019)
16 TBK Rajkamal Tile Bath Kitchen Private Limited - (upto - 24/06/2019)
17 TBK Solan Ceramics Private Limited - (upto - 23/08/2019)
18 Ardex Endura (India) Private Limited.

Holding Company

1 H & R Johnson (India) TBK Limited

b) Transactions entered with the related party during the year.

(Amount in₹)

Particulars	Enterprises under comon control	Parent Company	Key Management Personnel	Holding Company	Relative of Key Management Personnel
Payment of Rent- Sajid Khan	-	-	-	-	-
	-	-	(20,40,000)	-	-
Purchase of goods - Ardex Endure (India) Private Limited	-	-	-	-	-
	(3,54,587)	-	-	-	-
Purchase of goods - Prism Johnson Limited	-	-	-	-	-
	-	(2,32,05,951)	-	-	-
Commission & Incentive & other Income - Prism Johnson Limited	-	50,200	-	-	-
	-	(3,18,166)	-	-	-
Commission & Incentive & other Income - Ardex Endura (India) Private limited	1,163	-	-	-	-
	-	-	-	-	-
Reimbursement of Expenses Received - Prism Johnson Limited.	-	-	-	-	-
	-	(12,463)	-	-	-
Sale of goods - H & R Johnson (India) TBK Limited	-	-	-	61,74,824	-
	-	-	-	-	-
Payment of Salary & Reimbursement of expenses - Sajid Khan	-	-	-	-	-
	-	-	(9,00,000)	-	-
Payment of Salary & Reimbursement of expenses of H & R Johnson (India) TBK Limited.	-	-	-	-	-
	-	-	-	(3,81,495)	-
Payment of Salary & Reimbursement of expenses - Faimunisa Khan	-	-	-	-	-
	-	-	-	-	(9,00,000)
Interest on unsecured loan - H & R Johnsons (India) TBK Limited.	-	-	-	-	-
	-	-	-	(2,60,063)	-
Interest on unsecured loan - Sajid Khan	-	-	-	-	-
	-	-	(2,25,844)	-	-
Payment of Salary & Reimbursement of expenses - Samiya Sajid Khan	-	-	-	-	-
	-	-	-	-	(9,60,000)
Share Capital - M/s. H & R Johnson (India) TBK Limited.	-	-	-	2,50,000	-
	-	-	-	-	-

TBK SAMIYAZ TILE BATH KITCHEN PVT LTD

c) The details of balance as at March 31, 2020

(Amount in ₹)

Sr. No.	Name	Nature of Relationship	Nature of Payment / Receipts	As at March 31, 2020
1	H & R Johnson (India) TBK Ltd.	Holding Company	Unsecured Loan	19,00,000 (19,00,000)
2	H & R Johnson (India) TBK Ltd.	Holding Company	Interest Accured on Loan	12,18,656 (12,18,656)
3	Sajid Khan Ahmed Khan Pathan	Key Management Personnel	Unsecured Loan	- (16,50,000)
4	Sajid Khan Ahmed Khan Pathan	Key Management Personnel	Interest Accured on Loan	- (10,46,038)
5	Imran Khan Sajid Khan Pathan	Key Management Personnel	Unsecured Loan	- (2,50,000)
6	Imran Khan Sajid Khan Pathan	Key Management Personnel	Interest Accured on Loan	- (96,921)
7	Sajid Khan Ahmed Khan Pathan	Key Management Personnel	Payment of Rent & Salary	- (2,15,352)
8	Imran Khan Sajid Khan Pathan	Key Management Personnel	Salary Payable	- (46,138)
9	Samiya Khan Sajid Khan	Relative of Key Management Personnel	Salary	- (9,70,475)
10	Prism Johnson Limited	Parent Company	Purchase of goods	42,47,614 (42,97,814)
11	Prism Johnson Limited	Parent Company	Deposit Paid	1,20,000 (1,20,000)
12	H & R Johnson (India) TBK Limited	Holding Company	Salary Reimbursement	15,41,372 (29,36,621)
13	Ardex Endura (India) Private Limited	Enterprise under common control	Purchase and sale of goods & services	1,163 (2,820)

Note 32 :

The balances of Sundry debtors and Creditors are subject to confirmation.The Directors are of the Opinion that no asset is likely to be realized for an amount less than the amount at which it is recorded in the financial statements as at March 31, 2020 except for those which management has identified and classified as doubtful for recovery.

Note 33 : Note on Proposed Scheme of Amalgamation

The Board of Directors of the company had approved on October 23, 2019 the Composite Scheme of Arrangement and Amalgamation amongst Prism Johnson Limited ("PJL"), Milano Bathroom Fittings Private Limited ("Milano"), Silica Ceramica Private Limited ("Silica"), H. & R. Johnson (India) TBK Limited ("HRJTBK"), TBK Rangoli Tile Bath Kitchen Private Limited ("TBK Rangoli"), and TBK Venkataramiah Tile Bath Kitchen Private Limited ("TBK Venkat") which has been filed before the NCLT, Hyderabad.

The Company will be demerged entity after scheme is approved and retail / trading business unit will be taken over by HRJTBK. The statutory approvals for the proposed scheme are awaited and no impact of the same has been provided in the financials of the Company for the year ended March 31, 2020

Note 34: Note on COVID-19

The World Health Organisation announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24,2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been further extended till May,2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management has made assessment of the impact of COVID-19 on the company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements.

Accordingly no adjustments have been made to the financial statements.

Note 35 :

Previous year figures have been recast, regrouped and reclassified to make them comparable with the current year figures.

For Borkar & Muzumdar
Chartered Accountants
Firm Registration no.101569W

Deepak Kumar Jain
Partner
Membership No. 154390

Place : Mumbai
Date : May 20,2020

For and on behalf of the Board of Directors
TBK SAMIYAZ TILE BATH KITCHEN PVT LTD

Anoop Sreekumar
Director
DIN - 03404325

Vinod Garg
Director
DIN - 08574952

Place : Thane
Date : May 20,2020

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

TBK Samiyaz Tile Bath Kitchen Private Limited

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

Balance Sheet as at June 30, 2020

(Amount in ₹)

Particulars	Note No.	As at June 30, 2020	As at June 30, 2019	As at March 31, 2020	As at March 31, 2019
I. Assets					
1 Non Current Assets					
a. Property, Plant and Equipment	2	14,84,049	20,43,623	15,39,112	21,07,319
b. Capital work-in-progress		-	-	-	-
c. Investment Property		-	-	-	-
d. Goodwill		-	-	-	-
e. Other Intangible assets	2	-	-	-	-
f. Intangible assets under development		-	-	-	-
g. Biological Assets other than bearer plants		-	-	-	-
h. Financial Assets					
(i) Investments		-	-	-	-
(ii) Trade receivables		-	-	-	-
(iii) Loans	3	1,20,000	10,70,000	1,20,000	10,70,000
(iv) Others (to be specified)		-	-	-	-
i. Deferred tax assets (net)	4	-	5,01,466	-	5,70,785
j. Other non-current assets	5	-	2,67,050	-	60,000
Total Non Current Assets		16,04,049	38,32,139	16,59,112	38,08,104
2 Current Assets					
a. Inventories	6	-	1,11,67,437	-	1,67,59,565
b. Financial Assets					
(i) Investments		-	-	-	-
(ii) Trade receivables	7	-	20,41,063	-	14,57,003
(iii) Cash and cash equivalents	8	22,489	87,318	25,020	55,405
(iv) Bank balances other than (iii) above	9	1,00,000	-	1,00,000	-
(v) Loans		-	-	-	-
(vi) Others (to be specified)		-	-	-	-
c. Current Tax Assets (Net)	10	-	-	-	10,024
d. Other current assets	11	28,048	2,26,562	26,203	3,73,664
Total Current Assets		1,50,537	1,35,18,229	1,51,228	2,06,91,661
Total Assets		17,54,586	1,74,50,368	18,10,341	2,44,99,764
II EQUITIES AND LIABILITIES					
1 Equity					
a. Equity Share Capital	12	8,30,000	8,30,000	8,30,000	8,30,000
b. Other Equity	13	(82,12,596)	11,21,756	(81,33,997)	23,12,752
Total Equity		(73,82,596)	19,51,756	(73,03,997)	31,42,752
Liabilities					
2 Non Current Liabilities					
a. Financial Liabilities					
(i) Borrowings	14	19,00,000	19,00,000	19,00,000	19,00,000
(ii) Trade payables		-	-	-	-
(iii) Other financial liabilities (to be specified)		-	-	-	-
b. Provisions	15	-	7,47,115	-	11,13,267
c. Deferred tax liabilities (Net)		-	-	-	-
d. Other non-current liabilities		-	-	-	-
Total Non Current Liabilities		19,00,000	26,47,115	19,00,000	30,13,267
3 Current Liabilities					
a. Financial Liabilities					
(i) Borrowings	16	-	19,00,000	-	65,49,593
(ii) Trade payables					
Total outstanding dues of Micro Enterprises & Small Enterprises		-	-	-	-
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	17	59,06,577	84,32,054	58,62,061	88,36,060
(iii) Other financial liabilities (to be specified)	18	13,30,607	23,76,615	13,30,607	23,76,615
b. Other current liabilities	19	-	1,42,520	20,750	6,87,539
c. Provisions		-	-	-	-
d. Current Tax Liabilities (Net)		-	-	-	-
e. Liabilities directly associated with assets classified as held for sale		-	-	-	-
Total Current Liabilities		72,37,184	1,28,51,498	72,14,338	1,83,43,745
Total Equities and Liabilities		17,54,586	1,74,50,368	18,10,341	2,44,99,764
Summary of Significant accounting policies	1				

Refer accompanying notes. These notes are an integral part of the financial statements

For and on behalf of the Board of Directors of
TBK Samiyaz Tile Bath Kitchen Private Limited

Vinod Garg
Director
DIN - 08574952

Tapas Sengupta
Director
DIN - 08364280

Place : Thane
Date : Jul 20, 2020

TBK Samiyaz Tile Bath Kitchen Private Limited

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED
Statement of Profit & Loss for the period ended June 30, 2020

(Amount in ₹)

Particulars	Note No.	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
I. Revenue from operations	20	-	61,82,112	96,48,552	3,25,58,598
II. Other income		-	-	-	-
III. Total Income (I + II)		-	61,82,112	96,48,552	3,25,58,598
IV. Expenses:					
Cost of materials consumed					
Purchases of Stock-in-Trade	21	-	-	6,705	2,72,96,434
Changes in inventories of Finished goods, work in progress and Stock-in-Trade	22	-	75,72,140	1,67,59,560	6,94,465
Excise duty on sale of goods		-	-	-	-
Manufacturing expenses		-	-	-	-
Employee benefits expense	23	-	(3,66,150)	(11,13,767)	49,60,651
Finance costs	24	-	52,795	62,795	10,74,200
Depreciation and amortization expense	3	55,065	65,096	7,46,760	2,70,760
Impairment loss on financial assets		-		-	-
Impairment loss on non current assets	25	-	-	(44,377)	-
Other expenses	26	23,536	41,504	10,16,067	47,15,050
Total expenses (IV)		78,601	73,63,790	1,95,25,295	3,88,79,664
V. Profit / (loss) before exceptional and tax (III-IV)		(78,601)	(11,81,678)	(98,76,964)	(63,21,066)
VI. Exceptional items					-
VII. Profit / (loss) before tax (V-VI)		(78,601)	(11,81,678)	(98,76,964)	(63,21,066)
VIII. Tax expense:	27				
- Current tax		-	-	-	-
- Previous Adjustments Tax		-	-	-	-
- MAT Credit Entitlement		-	-	-	-
- Deferred tax		-	9,319	5,70,785	76,126
		-	9,319	5,70,785	76,126
IX. Profit (Loss) for the period from continuing operations (VII-VIII)		(78,601)	(11,90,997)	(1,04,46,749)	(63,97,192)
X. Profit / (loss) for the period from discontinued operations before tax					-
XI. Tax expense of discontinuing operations					-
XII. Profit/(loss) from Discontinuing operations (after tax) (X-XI)		-	-	-	-
XIII. Profit (Loss) for Period (IX+XII)		(78,601)	(11,90,997)	(1,04,46,749)	(63,97,192)
XIV. Other Comprehensive Income					
a. (i) Items that will not be reclassified to profit or loss		-	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-	-
b. (i) Items that will be reclassified to profit or loss		-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-	-
XV. Total other comprehensive income		-	-	-	-
XVI. Total Comprehensive Income for the Period (XIII+XV)		(78,601)	(11,90,997)	(1,04,46,749)	(63,97,192)
XVII. Earnings per equity share (for continuing operations)					
- Basic (in Rs.)		(0.55)	(14.35)	(125.86)	(77.06)
- Diluted (in Rs.)		(0.55)	(14.35)	(125.86)	(77.06)
Earnings per equity share (for discontinued operations)					
- Basic (in Rs.)		-	-	-	-
- Diluted (in Rs.)		-	-	-	-
Earnings per equity share (for discontinued and continuing operations) :					
- Basic (in Rs.)		(0.56)	(14.35)	(125.86)	(77.06)
- Diluted (in Rs.)		(0.56)	(14.35)	(125.86)	(77.06)
Significant Accounting Policies	1				

Refer accompanying notes. These notes are an integral part of the financial statements

For and on behalf of the Board of Directors of
TBK Samiyaz Tile Bath Kitchen Private Limited

Vinod Garg
Director
DIN - 08574952

Tapas Sensharma
Director
DIN - 08364280

Place : Thane
Date : Jul 29, 2020

TBK Samiyaz Tile Bath Kitchen Private Limited

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

Statement of changes in equity for the period ended Jun 30, 2020

Other equity	Reserves and Surplus					Items of Other Comprehensive Income		Total
	Capital Redemption reserve	Debenture redemption reserve	General reserve	Securities Premium	Retained earnings	Remeasurements of the defined benefit plans	Items of Other Comprehensive Income (specify nature)	
Balance at April 1, 2020	-	-	-	52,19,000	(1,33,52,597)	-	-	(81,33,597)
Profit / (Loss) for the year	-	-	-	-	(78,601)	-	-	(78,601)
Other comprehensive income	-	-	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	52,19,000	(1,34,31,598)	-	-	(82,12,598)
Dividends	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-
Balance as at Jun 30, 2020	-	-	-	52,19,000	(1,34,31,598)	-	-	(82,12,598)

TBK SAMIYAZ TILE BATH KITCHEN PRIVATE LIMITED

Notes to Financial Statements for the year ended Jun 30, 2020

2 Property, plant and equipment :

	Gross Carrying Amount					Depreciation					Net Block	
Particulars	As at April 1, 2020	Addition	Disposal	Other Adjustments	As at Jun 30, 2020	As at April 1, 2020	For the Year	Elimination on disposal	Other adjustments	As at Jun 30, 2020	As at Jun 30, 2020	As at March 31, 2020
Own Assets:												
Plant & Machinery	6,07,386	-	-	-	6,07,386	1,77,496	10,613	-	-	1,88,109	4,19,277	4,29,889
Computers	83,354	-	-	-	83,354	69,518	-	-	-	69,518	13,836	13,835
Furniture, Fixtures	15,12,845	-	-	-	16,12,845	5,89,006	38,281	-	-	6,27,287	9,85,558	10,23,839
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-
Office Equipment	2,62,777	-	-	-	2,62,777	1,91,228	6,170	-	-	1,97,398	65,379	71,549
Total	25,66,361	-	-	-	25,66,361	10,27,249	55,063	-	-	10,82,313	14,84,049	15,39,112

	Gross Carrying Amount					Depreciation					Net Block	
Particulars	As at April 1, 2019	Addition	Disposal	Other Adjustments	As at Jun 30, 2019	As at April 1, 2019	For the Year	Elimination on disposal	Other adjustments	As at Jun 30, 2019	As at Jun 30, 2019	As at March 31, 2019
Own Assets:												
Plant & Machinery	8,01,322	-	-	-	8,01,322	2,10,191	16,228	-	-	2,26,418	5,74,903	5,91,131
Computers	83,354	-	-	-	83,354	60,995	2,603	-	-	63,598	19,756	22,359
Furniture, Fixtures	21,68,479	-	-	-	21,68,479	8,44,439	38,281	-	-	8,82,719	12,85,759	13,24,040
Vehicles	2,38,843	-	-	-	2,38,843	1,65,765	-	-	-	1,65,765	73,078	73,078
Office Equipment	2,62,777	-	-	-	2,62,777	1,66,065	6,585	-	-	1,72,650	90,120	96,711
Total	35,54,774	-	-	-	35,54,774	14,47,455	63,696	-	-	15,11,151	20,43,623	21,07,319

	Gross Carrying Amount					Depreciation					Net Block	
Particulars	As at April 1, 2019	Addition	Disposal	Other Adjustments	As at Mar 31, 2020	As at April 1, 2019	For the Year	Elimination on disposal	Other adjustments	As at Mar 31, 2020	As at Mar 31, 2020	As at March 31, 2019
Own Assets:												
Plant & Machinery	8,01,322	-	1,93,935	-	6,07,386	2,10,191	59,536	92,230	-	1,77,496	4,29,889	5,91,131
Computers	83,354	-	-	-	83,354	60,995	8,523	-	-	69,518	13,835	22,359
Furniture, Fixtures	21,68,479	-	5,55,633	-	16,12,845	8,44,439	1,53,544	4,08,976	-	5,89,008	10,23,839	13,24,040
Vehicles	2,38,843	-	2,38,843	-	-	1,65,765	-	1,65,765	-	0	-0	73,078
Office Equipment	2,62,777	-	-	-	2,62,777	1,66,065	25,163	-	-	1,91,228	71,549	96,711
Total	35,54,774	-	9,88,412	-	25,66,361	14,47,455	2,46,766	6,66,971	-	10,27,250	15,39,112	21,07,319

	Gross Carrying Amount					Depreciation					Net Block	
Particulars	As at April 1, 2018	Addition	Disposal	Other Adjustments	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	Other adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Own Assets:												
Plant & Machinery	8,01,322	-	-	-	8,01,322	1,45,101	65,089	-	-	2,10,191	5,91,131	6,56,220
Computers	83,354	-	-	-	83,354	50,555	10,440	-	-	60,995	22,359	32,799
Furniture, Fixtures	21,68,479	-	-	-	21,68,479	6,84,844	1,59,595	-	-	8,44,439	13,24,040	14,83,635
Vehicles	2,38,843	-	-	-	2,38,843	1,61,880	3,885	-	-	1,65,765	73,078	76,963
Office Equipment	2,62,777	-	-	-	2,62,777	1,34,294	31,771	-	-	1,66,065	96,711	1,28,482
Total	35,54,774	-	-	-	35,54,774	11,76,674	2,70,780	-	-	14,47,455	21,07,319	23,78,099

TBK Samiyaz Tile Bath Kitchen

TBK Samiyaz Tile Bath Kitchen Private Limited

Note : 3 Other Non Current Financial Assets - Loans

Particulars	As at 30-06-2020 ₹	As at 30-06-2019 ₹	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Unsecured Considered good				
Secured Deposits	1,20,000	10,70,000	1,20,000	10,70,000
Total	1,20,000	10,70,000	1,20,000	10,70,000

Note : 4 Deferred Tax Assets/ Liabilities (net)

Particulars	As at 30-06-2020 ₹	As at 30-06-2019 ₹	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Deferred Tax Assets:				
- Difference between Net block as per Companies Act and Income tax Act	-	5,61,466	-	5,70,785
- Expenses provided but allowable in Income Tax on payment	-		-	
Net deferred tax Asset	-	5,61,466	-	5,70,785

Note : 5 Other Non Current Assets

Particulars	As at 30-06-2020 ₹	As at 30-06-2019 ₹	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Deposit with statutory authorities (Net of provision)	-	-	-	-
Deposit Under Dispute with statutory authorities	-	2,67,050	-	60,000
Total	-	2,67,050	-	60,000

Note : 6 Inventories

Particulars	As at 30-06-2020 ₹	As at 30-06-2019 ₹	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Stock in Trade		1,11,67,437	-	1,67,59,565
(Valued at lower of cost or net realisable value)				
Total	-	1,11,67,437	-	1,67,59,565

Note : 7 Trade Receivables

Particulars	As at 30-06-2020 ₹	As at 30-06-2019 ₹	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Secured - Considered Good	-		-	
Unsecured - Considered Good	-	20,86,270	-	15,36,440
Doubtful	-		-	-
	-	20,86,270	-	15,36,440
Less : Allowance for doubtful debts (expected credit loss)	-	-44,377	-	(44,377)
Total	-	20,41,893	-	14,92,063

Note : 8 Cash and Cash Equivalents

Particulars	As at 30-06-2020 ₹	As at 30-06-2019 ₹	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Balances with banks				
- On current accounts	22,459	65,580	25,626	21,958
Cash on hand	-	3,738	-	33,446
Total	22,459	69,318	25,626	55,404

Note : 9 Bank balances other than above

Particulars	As at 30-06-2020 ₹	As at 30-06-2019 ₹	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Fixed Deposit with Bank	1,00,000		1,00,000	-
Total	1,00,000	-	1,00,000	-

Note : 10 Current Tax Assets

Particulars	As at 30-06-2020 ₹	As at 30-06-2019 ₹	As at 31-03-2020 ₹	As at 31-3-2019 ₹
TDS Receivable	-	-	-	10,624
Total	-	-	-	10,624

Note : 11 Other Current Assets

Particulars	As at 30-06-2020 ₹	As at 30-06-2019 ₹	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Prepaid Expenses	-	4,364	-	6,008
GST Receivable	26,049	-	25,040	-
Advance paid to suppliers	-	2,22,218	1,163	3,65,976
Total	26,049	2,26,582	26,203	3,71,984

TBK Samiyaz Tile Bath Kitchen Private Limited

TBK Samiyaz Tile Bath Kitchen Private Limited

Note - 12 Share Capital

Particulars	As at 30-06-2020 ₹	As at 30-06-2019 ₹	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Authorised 83,000 Equity Shares of ₹10 each (previous year: 83,000 Equity Shares of ₹ 10 each)	8,30,000	8,30,000	8,30,000	8,30,000
TOTAL	8,30,000	8,30,000	8,30,000	8,30,000
Issued & Subscribed & Paid up 83,000 Equity Shares of ₹10 each (previous year: 83,000 Equity Shares of ₹ 10 each)	8,30,000	8,30,000	8,30,000	8,30,000
TOTAL	8,30,000	8,30,000	8,30,000	8,30,000

a) Reconciliation of number of Shares outstanding

Particulars	As at 30-06-2020	As at 30-06-2019	As at 31-03-2020	As at 31-3-2019
Shares outstanding at the beginning of the year	83,000	83,000	83,000	83,000
Share issue during the year			-	-
Shares outstanding at the end of the year	83,000	83,000	83,000	83,000

b) Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is entitled to one vote per equity share. The shareholders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the company in proportion to their shareholding after distribution of all preferential amounts.

c) Details of Shareholders holding more than 5% of the issued shares

Name of Shareholder	As at 30-06-2020		As at 31-03-2020		As at 31-03-2019	
	Total Shares held	As a % of Total Shares	Total Shares held	As a % of Total Shares	Total Shares held	As a % of Total Shares
H & R Johnson (India) TBK Ltd	83,000	100	83,000	100	58,000	70
Sajid Khan Jointly with Imran Pathan	-	-	-	-	25,000	30

Note : 13 Other Equity

Particulars	As at 30-06-2020 ₹	As at 30-06-2019 ₹	As at 31-03-2020 ₹	As at 31-3-2019 ₹
a. Securities Premium Account				
Opening Balance	62,19,000	62,19,000	62,19,000	62,19,000
Add : Securities premium credited on Share issue				-
Total	62,19,000	62,19,000	62,19,000	62,19,000
b. Surplus in Statement of Profit and Loss				
Opening balance	(1,33,62,997)	(29,08,246)	(29,08,246)	34,84,944
Profit / (Loss) for the year	(78,601)	(11,88,999)	(1,04,54,751)	(63,93,190)
Closing Balance	(1,34,41,598)	(40,97,245)	(1,33,62,997)	(29,08,246)
Total	(72,22,598)	21,21,755	(71,43,997)	33,10,754

Note : 14 Non Current Financial Liabilities - Borrowings

Particulars	As at 30-06-2020 ₹	As at 30-06-2019 ₹	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Unsecured Loan from Related parties (Repayment by December 31, 2021)	19,00,000	19,00,000	19,00,000	19,00,000
Total	19,00,000	19,00,000	19,00,000	19,00,000

Note : 15 Non Current Liabilities - Provisions

Particulars	As at 30-06-2020 ₹	As at 30-06-2019 ₹	As at 31-03-2020 ₹	As at 31-3-2019 ₹
For employee benefits				
Provision for Gratuity	-	7,47,115	-	11,13,267
Total	-	7,47,115	-	11,13,267

TBK Samiyaz Tile Bath Kitchen Private Limited

TBK Samiyaz Tile Bath Kitchen Private Limited

Note : 16 Current Financial Liabilities - Borrowings

Particulars	As at 30-06-2020 ₹	As at 30-06-2019 ₹	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Secured Loans repayable to Banks - Repayable on demand	-	-	-	46,49,493
Unsecured Loans : Loan from Related parties	-	19,00,000	-	19,00,000
Total	-	19,00,000	-	65,49,493

Note : 17 Trade Payables

Particulars	As at 30-06-2020 ₹	As at 30-06-2019 ₹	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Total outstanding dues of Micro Enterprises & Small Enterprises	-	-	-	-
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	59,06,677	64,32,064	58,62,981	64,35,099
Total	59,06,677	64,32,064	58,62,981	64,35,099

Note : 18 Other Current Financial Liabilities

Particulars	As at 30-06-2020 ₹	As at 30-06-2019 ₹	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Interest accrued but not due on loans	12,18,656	23,61,616	12,18,656	23,61,616
Liability for Expenses	1,11,951	15,000	1,11,951	15,000
Total	13,30,607	23,76,616	13,30,607	23,76,616

Note : 19 Other Current Liabilities

Particulars	As at 30-06-2020 ₹	As at 30-06-2019 ₹	As at 31-03-2020 ₹	As at 31-3-2019 ₹
Advance from Customers	-	1,40,321	-	5,66,087
Statutory Liabilities	-	2,499	20,750	16,453
Total	-	1,42,820	20,750	5,82,540

TBK Samiyaz Tile Bath Kitchen Private Limited

Note : 20 Revenue from operations

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Sales of product & services	-	61,68,313	61,74,854	5,22,27,820
Other operating revenue	-	13,799	34,74,478	3,30,776
Total	-	61,82,112	96,49,332	5,25,58,596

Note : 21 Purchase of Stock in Trade

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Purchases of products	-	-	5,703	2,72,06,434
Total	-	-	5,703	2,72,06,434

Note : 22 Changes in inventories of Stock-in-Trade

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the end of the year				
Stock-in-trade	-	1,11,87,437	-	1,87,59,586
Inventories at the beginning of the year				
Stock-in-trade	-	1,87,59,586	1,87,59,585	1,93,84,050
Total	-	75,72,149	1,87,59,585	6,24,465

Note : 23 Employee Benefits Expenses

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Salaries,wages Bonus and Gratuity	-	-3,66,152	(11,13,267)	39,00,066
Director Remuneration	-	-	-	5,00,000
Welfare and other expenses	-	-	-	1,00,065
Total	-	(3,66,152)	(11,13,267)	45,00,131

Note : 24 Finance Cost

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Interest on Loan	-	-	-	4,85,997
Bank Interest	-	52,793	52,793	5,88,399
Total	-	52,793	52,793	10,74,396

Note : 25 Impairment loss on financial assets

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Impairment loss allowance on trade receivables	-	-	(44,377)	-
Total	-	-	(44,377)	-

Note : 26 Other Expenses

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Rent	-	-	-	28,40,400
Bank Charges	2,637	10,036	26,032	36,615
Electricity Expenses	-	23,840	23,840	2,54,240
Advertisement, Sales Promotion & Marketing Expenses	-	-	-	69,053
Travelling & Communication	-	-	-	3,20,063
Repairs & Maintenance	-	-	-	3,45,485
Rates & Taxes	-	-	2,80,120	2,76,867
Insurance	-	3,644	6,006	67,304
Payment to Auditors - as auditor	3,125	3,125	12,500	40,000
- other services	-	-	-	15,000
- for reimbursement of expenses	-	-	-	9,656
Legal & Professional Charges	16,712	-	14,263	43,361
Miscellaneous Expenses	1,164	660	12,69,578	4,26,159
Total	23,638	41,304	16,18,097	47,13,058

Note : 27 Tax Expenses

Particulars	Period ended June 30, 2020	Period ended June 30, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Current tax assets				
In respect of the current year	-	-	-	-
	-	-	-	-
Deferred tax				
In respect of the current year	-	9,319	5,70,785	76,126
	-	9,319	5,70,785	76,126
Total income tax expense recognised in the current year	-	9,319	5,70,765	76,126

TBK Samiyaz Tile Bath Kitchen Private Limited

G. M. KAPADIA & CO.
(REGISTERED)
CHARTERED ACCOUNTANTS
1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA
PHONE : (91-22) 6611 6611 FAX : (91-22) 6611 6600

To,
The Board of Directors,
Prism Johnson Limited
305, Laxmi Niwas Apartments,
Ameerpet, Hyderabad – 500 016.

Statutory Auditor's Certificate on the proposed accounting treatment contained in clause 22 and clause 34 of the Draft Composite Scheme of Arrangement and Amalgamation amongst Prism Johnson Limited ('the Company'), H. & R. Johnson (India) TBK Limited ('HRJ TBK'), Milano Bathroom Fittings Private Limited ('Milano'), Silica Ceramica Private Limited ('Silica'), TBK Rangoli Tile Bath Kitchen Private Limited ('TBK Rangoli'), TBK Venkataramiah Tile Bath Kitchen Private Limited ('TBK Venkat'), TBK Samiyaz Tile Bath Kitchen Private Limited ('TBK Samiyaz') and their respective shareholders and creditors.

1. This certificate is issued in accordance with the terms of our engagement letter dated October 21, 2019.

2. We, G. M. Kapadia & Co. Chartered Accountants, Statutory Auditors of Prism Johnson Limited, have examined the proposed accounting treatment contained in clause 22 and clause 34 of the Draft Composite Scheme of Arrangement and Amalgamation ("the Draft Scheme") between Prism Johnson Limited, HRJ TBK, Milano, Silica, TBK Rangoli, TBK Venkat, TBK Samiyaz and their respective shareholders and creditors in terms of the provisions of sections 230 - 232 read with section 52 and other applicable provisions of the Companies Act, 2013 ("the Act"), with effect from Appointed Date of 1st April, 2018, with reference to its compliance with the applicable Accounting Standards notified under section 133 of the Act, read with the rules made there under and other recognised accounting practices as prevalent in India for the purposes of issue of this certificate. The extracts of clause 22 and clause 34 of the Draft Scheme duly authenticated on behalf of the Company are enclosed as "Annexure - A" and "Annexure - B" respectively to this certificate and initialled by us only for the purposes of identification.

Management's Responsibility

3. The Company's Management is overall responsible for the matters stated in section 134(5) of the Act, which includes compliance with the Accounting Standards specified under section 133 of the Act. Accordingly, the Company's Management is responsible for the preparation of the Draft Scheme which includes the proposed accounting treatment and also ensuring its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid. This responsibility also includes

G. M. KAPADIA & CO. MUMBAI CHARTERED ACCOUNTANTS

MUMBAI NEW DELHI CHENNAI BENGALURU HYDERABAD JAIPUR

maintenance of adequate accounting records in accordance with the provisions of the Act; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls relevant to the preparation and presentation of the Draft Scheme.

Auditor's Responsibility

4. Our responsibility, for the purpose of this certificate is to express reasonable assurance in the form of an opinion as to whether the proposed accounting treatment contained in clause 22 and clause 34 of the Draft Scheme referred to above, comply with the applicable Accounting Standards and other recognised accounting practices as prevalent in India.

5. Our responsibility is restricted to proposed accounting treatment to the extent it relates to accounting in the books of Prism Johnson Limited and it does not get extended to accounting treatment in the books of other companies.

6. Nothing contained in this certificate, nor anything said or done in the course of, or in connection with the services that are subject to this certificate, will extend any duty of care that we may have in our capacity as the statutory auditors of any financial statements of the Company.

7. We have conducted our examination in accordance with the *Guidance Note on Reports or Certificates for Special Purposes* issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of the certificate.

8. 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.* Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the Draft Scheme.

9. We have no responsibility to update this certificate for events and circumstances occurring after the date of this Certificate.

Opinion

10. Based on our examination as stated above and the information and explanations given to us, we are of the opinion that the accounting treatment contained in clause 22 and clause 34 of the Draft Scheme, is in compliance with applicable accounting standards as

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

specified in section 133 of the Act read with the rules made there under and other recognised accounting practices as prevalent in India

Restriction on Use

11. The certificate is issued at the request of the management of the Company and should not be used, referred to, published, distributed or relied upon by any person or entity for any purpose, whatsoever, without our prior written consent, except in accordance with the provisions of the Act and the rules made thereunder and for onward submission to the Stock Exchange(s), National Company Law Tribunal, the Registrar of Companies or other statutory authorities and the concerned tax authorities as may be required. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN: 19039569AAAANE2782

Place: Mumbai
Dated this 23rd day of October 2019

ANNEXURE – A

Accounting treatment of Demerger of HRJ TBK Demerged Undertaking with the Company

22. ACCOUNTING TREATMENT

Upon the Draft Scheme becoming effective, the Resulting Company 2 and Part IV Demerged Company shall account for Demerger 2 of the Part IV Demerged Undertaking in their books of account in accordance Ind AS 103 – 'Business Combination' and other Ind AS as may be applicable or prescribed under the 2013 Act.

SIGNED FOR IDENTIFICATION
BY
G. M. KAPADIA & CO.
MUMBAI.

PRISM JOHNSON LIMITED
MUMBAI

ANNEXURE – B

Accounting treatment of Amalgamation of Milano and Silica with the Company

34. ACCOUNTING TREATMENT

Upon the Draft Scheme becoming effective, the Amalgamated Company shall account for Amalgamation in their books of account in accordance with Ind AS 103 – 'Business Combination' and such other Ind AS as may be applicable or prescribed under the 2013 Act.

SIGNED FOR IDENTIFICATIO.
BY
G. M. KAPADIA & CO.
MUMBAI.

PRISM JOHNSON LIMITED MUMBAI