

## **INDEPENDENT AUDITORS' REPORT**

To the Members of  
**KBK CHEM-ENGINEERING PVT LTD**

### **Opinion**

We have audited the Ind AS financial statements of **KBK CHEM-ENGINEERING PVT LTD** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2020, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2020, its profit, 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.

### **Key Audit Matters**

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

- 1) Recoverability of Deferred Tax Assets: The Management has not recognised Deferred Tax Assets on Unabsorbed business losses as there is no reasonable certainty that such deferred tax assets can be realised against future taxable profits as per the management forecast for the business projections. We have reviewed the evaluation process of the management of the business projections with the underlying assumptions and judgements in arriving at the future taxable profits and found it to be satisfactory in not recognising the deferred tax assets on unabsorbed business losses.
- 2) Impairment assessment of property, plant and equipment (PPE): The Management has done an internal assessment of impairment of PPE in the Company and has concluded that there is no impairment provision to be done as at March 31, 2020. We have verified and gone through the records of PPE, its valuations, depreciation accounting done, revaluation wherever done and its due accounting. Further, we have also evaluated if there are any indicators of impairment of PPE by comparing the recoverability with the carrying value and provision of impairment loss in any required. We have concluded that there is no impairment of PPE as at March 31, 2020 and no provision for impairment loss is required.

- 3) Physical verification of Inventory: The management has conducted the physical verification of Inventory count at the year end and shared with us the certified details. Due to Covid-19 related lockdown, we were not able to physically observe the physical verification of Inventory. We have performed alternate procedures to audit the existence and condition of inventory as per the guidelines provided in SA 501 "Audit evidence -Specific consideration for stipulated items", which includes inspection of supporting documentation relating to purchases, production, sales and such other third party evidences where applicable and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on the financial statements.

### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual 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.

### **Responsibility of Management and Those Charged with Governance for 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 Ind AS 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. 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 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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.

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified 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 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**"; and

- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company have disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 28(ii) to the financial statements.
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **K N Prabhaskar & Co.,**  
(Formerly known as Ashok Kumar, Prabhaskar & Co.,)  
Chartered Accountants  
Firm Regn No. 004982S

**KHOKALE**  
**NARAYANARAO**  
**PRABHASHANKAR**

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Place: Bengaluru  
Date: June 27, 2020

**K. N. Prabhaskar**  
Partner  
Membership No. 019575  
UDIN: 20019575AAAAV1976

**Annexure ‘A’ to the Auditors’ Report**

The Annexure ‘A’ referred to in our report to the members of KBK Chem-Engineering Private Limited for the year ended March 31, 2020. We report that:

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, all fixed assets have been physically verified by the management during the year in 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 explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) With regard to inventory, physical verification has been conducted by the management at reasonable intervals and no significant material discrepancies were noticed on the physical verification of stocks and the differences between the book stocks and the physical stocks 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.
- iv) In respect of the loans, investments, guarantees, and security, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.
- v) According to the information and explanations given to us, the company has not accepted any deposits, hence reporting on clause (v) of the order is not applicable.
- vi) The Central Government has prescribed maintenance of cost records u/s. 148(1) of the Companies Act, 2013 for some products of the Company. We have broadly reviewed these records of the company and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.  
However, we have not carried out a detailed examination of such records.
- vii) a) According to the information and explanations given to us and as per books and records examined by us, there are no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with appropriate authorities outstanding as at March 31, 2020 for a period exceeding six months from the date they became payable.

b) According to the information and explanations given to us and as per the records examined by us, the disputed statutory dues aggregating to Rs. 305.94 Million that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Sl No	Name of the Statute	Nature of Dues	Amount (Rs in Mn)	Period	Forum where Dispute is pending
1	Central Excise Act 1944		236.55	January 2007 to December 2010	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
			14.75	January 2011 to November 2011	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
			1.98	July 2012 to May 2013	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
			0.52	June 2013 To December 2013	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
			0.03	January 2014 to June 2014	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
			1.70	July 2014 to December 2014	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
			20.05	January 2015 to December 2015	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
			1.95	January 2016 to June 2016	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
			5.40	July 2016 to June 2017	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
2	The Maharashtra Value Added Tax Act, 2002	Sales Tax	12.10	2006-07	Sales Tax - Joint Commissioner Pune
			0.54	2010-11	Sales Tax - Joint Commissioner Pune
3	Employees Provident Funds & Miscellaneous Provisions Act, 1952	Provident Fund	2.62	2010-12	The central govt. Industrial tribunal no. at Mumbai
4	Income Tax Act, 1961	Income Tax	1.51	F.Y.2008-09	Dy Commissioner Income-Tax Appellate Tribunal Pune Versus Cir 11(1) Pune
5	Income Tax Act, 1961	TDS	6.25	FY.2007-08 to 2013-14	TDS Circle 14, Pune
<b>Grand Total</b>			<b>305.94</b>		

- viii) The Company has borrowed funds from banks. They have not raised funds by way of debentures nor borrowed funds from financial institutions. There is no default in repayment of dues to the banks.
- ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- x) As per information and explanations given to us and on the basis of our examinations of books and records, there were no frauds on or by the company has been noticed or reported during the year.
- xi) Being a Private Limited Company, provisions of Section 197 read with Schedule V of the Companies Act, 2013 is not applicable.
- xii) This is not a Nidhi Company, hence reporting under clause (xii) does not apply.
- xiii) As per information and explanations given to us and on the basis of our examinations of books and records, all the transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 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 any non-cash transactions with directors or persons connected with them and hence reporting on this clause 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 **K N Prabhashankar & Co.,**  
(Formerly known as Ashok Kumar, Prabhashankar & Co.,)  
Chartered Accountants  
Firm Regn No: 004982S

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Date: June 27, 2020

**K. N. Prabhashankar**  
Partner  
Membership No: 19575  
UDIN: 20019575AAAAAV1976

## **Annexure ‘B’ to the Auditors’ Report**

### **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 **KBK Chem-Engineering Private Limited** (“the Company”) as of March 31, 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 Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by 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.



### **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 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, 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 **K N Prabhashankar & Co.,**  
(Formerly known as Ashok Kumar, Prabhashankar & Co.,)  
Chartered Accountants  
Firm Regn No: 004982S

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**K. N. Prabhashankar**

Partner

Membership No: 19575

UDIN: 20019575AAAAAV1976

Camp: Bengaluru

Date: June 27, 2020

**KBK CHEM ENGINEERING PRIVATE LIMITED**  
Plot No. 33 & 34, Bhavdhan Khurd, NDA-Pashan Road, Pune - 411021  
**Balance Sheet as at March 31, 2020**

(Amount in ₹)

	Notes	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	2	9,73,96,434	9,57,57,932
Other Intangible Assets	3	-	-
Financial Assets			
Other financial assets	4	71,34,351	84,30,884
<b>Current assets</b>			
Inventories	5	7,18,19,999	8,40,87,226
Financial Assets			
Trade Receivables	6	4,87,52,707	12,70,40,663
Cash And Cash Equivalents	7	76,37,469	72,25,322
Other financial assets	8	18,47,02,666	11,89,73,580
<b>Total Assets</b>		<b>41,74,43,626</b>	<b>44,15,15,607</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	9	1,69,14,300	1,69,14,300
Other Equity	10	(1,17,93,76,351)	(1,23,26,69,051)
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	11	1,34,80,46,191	1,34,80,46,191
Provisions	12	1,38,87,362	1,28,21,178
Deferred Tax Liabilities (Net)	13	62,59,695	60,57,760
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	14	3,52,02,147	5,73,65,404
Trade Payables	15		
- Total outstanding dues of micro and small enterprises		8,84,496	-
- Total outstanding dues of creditors other than micro and small enterprises		8,26,29,139	8,18,02,818
Other Financial Liabilities	16	9,19,66,075	15,02,71,704
Provisions	17	10,30,572	9,05,303
<b>Total Equity and Liabilities</b>		<b>41,74,43,626</b>	<b>44,15,15,607</b>

Accompanying notes 1 to 28 form part of the financial statements

To be read with our report of even date

For **K N Prabhashankar & Co**  
(formerly known as Ashok Kumar, Prabhashankar & Co.)

Chartered Accountants  
Firm Regn.No : 0049825

**KHOKALE**  
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**K.N. Prabhashankar**  
Partner  
Membership No.019575

**Place** : Mumbai  
**Date** : June 27, 2020

For and on behalf of the Board of directors of

**KBK Chem Engineering Private Limited**

**VIJENDRA SINGH**  
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**Vijendra Singh**  
Director  
**DIN : 03537522**

**Sunil Sakharam Kadam**  
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**Sunil Kadam**  
Director  
**DIN : 00212461**

**KBK CHEM ENGINEERING PRIVATE LIMITED**  
Plot No. 33 & 34, Bhavdhan Khurd, NDA-Pashan Road, Pune - 411021  
**Statement of Profit & Loss for the year ended March 31, 2020**

(Amount in ₹)

	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from Operations	18	89,79,57,916	34,30,09,176
Other Income	19	22,17,434	2,14,69,576
<b>Total Income</b>		<b>90,01,75,350</b>	<b>36,44,78,752</b>
<b>Expenses</b>			
Cost of Materials Consumed	20	61,58,96,671	31,31,17,097
Changes In Inventories of Finished	21	2,51,95,954	(3,51,73,082)
Goods, Work-In-Progress & Stock in Trade			
Employee Benefit Expenses	22	2,43,16,922	1,81,07,063
Finance Costs	23	91,47,088	1,12,76,226
Depreciation and Amortisation Expenses	24	35,22,333	31,54,842
Foreign exchange (Gain)/Loss		14,03,325	(5,69,504)
Other Expenses	25	16,69,92,088	5,25,26,109
<b>Total Expenses</b>		<b>84,64,74,381</b>	<b>36,24,38,751</b>
<b>Profit/(Loss) Before Exceptional Items and Tax</b>		<b>5,37,00,969</b>	<b>20,40,001</b>
Exceptional Items		-	-
<b>Profit/(Loss) Before Tax</b>		<b>5,37,00,969</b>	<b>20,40,001</b>
<b>Tax Expenses:</b>			
Current Tax	26	-	7,65,830
Deferred Tax		2,01,934	16,26,974
<b>Total Tax Expenses</b>		<b>2,01,934</b>	<b>23,92,804</b>
<b>Profit/(Loss) for the year</b>		<b>5,34,99,035</b>	<b>(3,52,803)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of the net defined benefit liability / asset		(1,67,033)	2,83,310
Addition in revaluation reserve on revaluation of assets		-	6,55,839
Reversal of revaluation reserve on disposal of asset		(39,302)	-
<b>Total comprehensive income for the year</b>		<b>5,32,92,700</b>	<b>5,86,346</b>
<b>Earnings Per Equity Share:</b>	27		
Basic (in Rs.)		316.29	(2.09)
Diluted (in Rs.)		316.29	(2.09)
(Nominal value of shares Rs 100 each)			

Accompanying notes 1 to 28 form part of the financial statements

To be read with our report of even date

**For K N Prabhaskankar & Co**  
(formerly known as Ashok Kumar, Prabhaskankar & Co.)  
Chartered Accountants  
Firm Regn.No : 0049825

**KHOKALE**  
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**K.N. Prabhaskankar**  
Partner  
Membership No.019575

**Place** : Mumbai  
**Date** : June 27, 2020

For and on behalf of the Board of directors of

**KBK Chem Engineering Private Limited**

**VIJENDR**  
**A SINGH**

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**Vijendra Singh**  
Director  
DIN : 03537522

**Sunil**  
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**Sunil Kadam**  
Director  
DIN : 00212461

**KBK CHEM ENGINEERING PRIVATE LIMITED**  
Plot No. 33 & 34, Bhavdhan Khurd, NDA-Pashan Road, Pune - 411021  
**Cash Flow Statement for the year ended March 31, 2020**

(Amount in ₹)

	As at March 31, 2020	As at 31st March 2019
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before Tax	5,37,00,969	20,40,001
<b>Adjustments to reconcile profit before tax to net cash provided by operating activities:</b>		
Depreciation and Amortisation Expenses	34,83,031	31,54,842
Finance Costs	91,47,088	1,12,76,226
Loss/(Profit) on Sale of Fixed Assets	2,09,321	-
Provision for Doubtful Debts	(38,385)	24,23,452
Bad debts/Advances written off	1,44,84,532	-
Exchange Fluctuations (net)	14,03,325	(5,69,504)
Reimbursement of net liability/assets of defined benefit plans	(1,67,033)	2,83,310
<b>Operating profit before working capital changes</b>	<b>8,22,22,849</b>	<b>1,86,08,328</b>
<b>Changes in operating assets and liabilities:</b>		
Trade Receivables	6,24,38,485	(2,10,70,591)
Other Receivables	(6,44,32,554)	(6,09,60,219)
Inventory	1,22,67,227	(4,89,52,880)
Trade and Other Payables	(5,54,03,359)	13,19,47,912
<b>Cash generated from operations</b>	<b>3,70,92,649</b>	<b>1,95,72,550</b>
Income Tax (net)	-	(7,65,830)
<b>Net cash flow from operating activities</b>	<b>3,70,92,649</b>	<b>1,88,06,720</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(54,73,017)	(7,44,635)
Proceeds from Sale of Fixed Assets	1,02,860	-
<b>Net cash flow from investing activities</b>	<b>(53,70,157)</b>	<b>(7,44,635)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
(Proceeds)/Repayment from short-term borrowings	(2,21,63,257)	(33,72,597)
Finance Cost	(91,47,088)	(1,12,76,226)
<b>Net cash flow from financing activities</b>	<b>(3,13,10,345)</b>	<b>(1,46,48,823)</b>
<b>Net increase in cash and cash equivalents</b>	<b>4,12,148</b>	<b>34,13,262</b>
Opening Cash and Cash Equivalents	72,25,322	38,12,060
<b>Closing Cash and Cash Equivalents</b>	<b>76,37,469</b>	<b>72,25,322</b>

**Notes:**

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard- 7 on Statement of Cash Flow notified under the Companies (Indian Accounting Standards) Rules, 2015.
- 2) Proceeds/(repayment) of Short-term borrowings have been shown on net basis.
- 3) Cash and Cash Equivalents do not include any amount which is not available to the company for its use .
- 4) Figure in brackets represents cash outflow from respective activities .
- 5) As amount of Cash and cash equivalents is also available in Note No.7 , reconciliation of amount of Cash and cash equivalents as per Cash Flow Statement with the equivalent amount reported in the Balance Sheet is not required and hence not provided .

To be read with our report of even date

For and on behalf of the Board of directors of

**For K N Prabhaskankar & Co**

(formerly known as Ashok Kumar, Prabhaskankar & Co.)

Chartered Accountants

Firm Regn.No : 0049825

**KHOKALE  
NARAYANARAO  
PRABHASHANKAR**

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**K.N. Prabhaskankar**

Partner

Membership No.019575

**KBK Chem Engineering Private Limited**

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**Vijendra Singh**

Director

DIN : 03537522

**Sunil  
Sakharam  
Kadam**

**Sunil Kadam**

Director

DIN : 00212461

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Place : Mumbai

Date : June 27, 2020

**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2020**

**Note: 1 - Significant Accounting Policies**

*(All amounts in Indian Rupees, unless otherwise stated)*

**a) i. Basis of preparation of financial statements**

The accompanying financial statements have been presented for the year ended March 31, 2020 along with comparative information for the year ended March 31, 2019. These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) on going concern basis under the historical cost convention on the accrual basis of accounting and the relevant provisions prescribed in the Companies Act 2013, besides the pronouncements/guidelines of the Institute of Chartered Accountants of India and of the Securities and Exchange Board of India. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The accounting policies have been consistently applied by the Company 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. Going Concern**

The performance of the company has improved from loss after tax of Rs. 0.35 Million in previous year to profit after tax of Rs. 53.50 Million in the current year. The Company has turned into profit making and continued to maintain its current assets more than the current liabilities.

The Company management has prepared a cash flow forecast of the Company for next 12 months period ending 31st March 2021. Further the Board of Directors of Holding Company, has provided letter of comfort to meet shortfall in its normal trade related working capital requirements during the 12 months period ended March 31, 2021. Accordingly, the Company management believes it will be able to meet all its financial obligations, as and when they fall due during the next twelve months. Accordingly, Company has prepared the financial statements on going concern basis.

**b) Use of estimates**

In preparing the Company's financial statements in conformity with Ind AS, the Company's management is required to make estimates, judgements and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period, the actual results could differ from those estimates. Difference between actual results and estimates are recognised in the period in which the results are known or materialise and if material, their effects are disclosed in the notes to the financial statements.

**c) Revenue recognition**

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 1 April 2018.

The cumulative effect of initially applying Ind AS 115 is recognized at the date of initial application as an adjustment to the opening balance of retained earnings for the year ended March 31, 2019.

**d) Property, plant and equipment:**

- i. **Property, plant and equipment** (Tangible and Intangible) are stated at cost less accumulated depreciation. Cost comprises the purchase price and any cost attributable to bringing the asset to the location and condition necessary for its intended use. Expenditure incurred during construction period has been added to the cost of the assets. These expenses have been allocated to the sugar, power generation and ethanol units on a reasonable basis. Subsidy received from the Government has been recognised as deferred income and recognized in the profit and loss on a systematic basis over the useful life of assets.
- ii. Land, Building and Plant and Machinery are carried at revalued amount and the surplus on revaluation is credited to Revaluation Reserve account. The useful lives of the depreciable assets remain to be the same as that of prior to revaluation.

**e) Borrowing costs:**

Interest and other costs in connection with the borrowings of funds to the extent attributable to the acquisition or construction of qualifying assets or capitalized as part of the cost of such asset till such time the asset is ready for its intended use.

All other borrowings costs are recognised in the statement of profit and loss in the period in which they are incurred.

**f) Depreciation:**

- i. Depreciation is provided in the manner prescribed in Schedule II of the Companies Act, 2013. The Carrying Value of Fixed assets is depreciated over the revised remaining useful lives. Fixed assets having nil useful life has been charged to the opening balance of retained earnings as per the transitional provision prescribed in note 7 (b) of Schedule II of the Companies Act 2013.
- ii. Depreciation on the value of Revaluation is reduced from revaluation Reserve.

**g) Inventories :**

Inventories are valued as follows:

*Raw materials, stores and spares, and packing materials:*

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 is determined on a Moving Weighted Average basis.

*Finished goods*

Valued at lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods excludes excise duty. Excise duty is generally provided on manufacture of goods, which are not exempt from the payment of duty. However, since the Company's finished goods are not segregated at the time of production into those for sale in domestic markets and those for sale in export markets, the Company is unable to determine the exact liability towards excise duty on finished goods. Accordingly, excise duty is provided/ paid only at the time of clearance of the goods from the factory.

#### *Work-in-process*

Valued at lower of cost up to estimated stage of process and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### *By- products*

By-products are valued at cost. Inter-unit transfers of by- products also include the cost of transportation, duties, etc.

### **h) Foreign currency transactions**

#### *Initial Recognition*

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

#### *Conversion*

Foreign currency monetary items are reported using the closing rate at the date of the Balance Sheet. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and investments in foreign companies are recorded at the exchange rates prevailing on the date of making the investments.

#### *Exchange Differences*

Exchange Differences is charged to the statement of profit and loss except arising on account of such conversion related to the purchase of fixed assets is adjusted therewith, and other long term monetary items is adjusted in the Foreign Currency Monetary Item Translation Difference Account.

#### *Forward Exchange Contracts not intended for trading or speculation purposes*

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the period.

### **i) Employee benefits:**

Short-term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

The eligible employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are paid to "The Regional Provident Fund Commissioner and the Central Provident Fund under the Pension Scheme". The Company recognises such contributions as expense of the year in which the liability is incurred.

The Company has an obligation towards Gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The plan is managed by a trust and the fund is invested with Life Insurance Corporation of India under its Group Gratuity Scheme. The Company makes annual contributions to Gratuity Fund and the Company recognises the liability for Gratuity benefits payable in future based on an independent actuarial valuation.

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave for availment as well as encashment subject to the rules. As per the regular past practice followed by the employees, it is not expected that the entire accumulated leave shall be encashed or availed by the employees during the next twelve months and accordingly the benefit is treated as long-term defined benefit. The liability is provided for based on the number of days of unutilised leave at the Balance Sheet date on the basis of an independent actuarial valuation.

**j) Income taxes**

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961

Deferred income tax reflects the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternate tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date.

**k) Provisions, Contingent Liabilities and Contingent Assets :**

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- The Company has a present obligation as a result of a past event
- A probable outflow of resources is expected to settle the obligation and
- The amount of the obligation can be easily estimated.

Contingent Liability is disclosed in the case of

- A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- A possible obligation, unless the probability of outflow of resources is remote.

Depending on facts of each case and after due evaluation of relevant legal aspects, claims against the Company not acknowledged as debts are disclosed as contingent liabilities. In respect of statutory matters, contingent liabilities are disclosed only for those demand(s) that are contested by the Company.

Contingent Assets are neither recognized nor disclosed.

**l) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**m) Impairment of assets**

As at each balance sheet date, the carrying amount of assets is tested for impairment so as to determine,

- a. The provision for impairment loss, if any, required or
- b. The reversal, if any, required of impairment loss recognized in previous periods.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

**n) Classification of Assets and Liabilities as Current and Non-Current:**

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current, non-current classification of assets and liabilities.



## Note 2 : Property, Plant and Equipment

(Amount in ₹)

Particulars	Land Free Hold	Building	Plant & Machinery	Computer and Computer Peripherals	Furniture & Fittings	Vehicles	Office Equipments	Total
<b>Gross Carrying Value</b>								
<b>At 1st April 2018</b>	4,84,50,000	4,99,65,608	2,62,76,697	53,78,680	93,07,200	35,73,466	9,41,456	14,38,93,107
Additions	-	-	6,02,000	1,02,110	-	-	40,525	7,44,635
Disposals	-	-	-	5,01,124	-	-	-	5,01,124
Revaluation	(51,00,000)	44,41,200	13,14,639	-	-	-	-	6,55,839
<b>At 31st March 2019</b>	4,33,50,000	5,44,06,808	2,81,93,336	49,79,666	93,07,200	35,73,466	9,81,980	14,47,92,457
Additions	-	-	39,21,412	4,67,243	20,800	10,15,962	47,600	54,73,017
Disposals	-	4,78,030	-	4,73,720	-	12,48,212	-	21,99,962
<b>At 31st March 2020</b>	4,33,50,000	5,39,28,778	3,21,14,748	49,73,189	93,28,000	33,41,216	10,29,580	14,80,65,512
<b>Accumulated Depreciation</b>								
<b>At 1st April 2018</b>	-	1,74,58,799	1,05,93,112	51,71,196	86,82,370	35,59,855	9,15,476	4,63,80,807
Depreciation charge for the year	-	16,42,999	10,50,225	1,03,592	3,45,003	1,500	11,524	31,54,842
Disposals	-	-	-	5,01,124	-	-	-	5,01,124
<b>At 31st March 2019</b>	-	1,91,01,798	1,16,43,336	47,73,664	90,27,372	35,61,355	9,27,000	4,90,34,525
Depreciation charge for the year	-	18,67,808	13,03,316	1,48,649	1,15,788	64,878	21,894	35,22,333
Disposals	-	1,65,849	-	4,73,720	-	12,48,212	-	18,87,781
<b>At 31st March 2020</b>	-	2,08,03,757	1,29,46,653	44,48,592	91,43,160	23,78,021	9,48,894	5,06,69,078
<b>Net Carrying Value</b>								
At 31st March 2020	4,33,50,000	3,31,25,021	1,91,68,095	5,24,597	1,84,840	9,63,195	80,686	9,73,96,434
At 31st March 2019	4,33,50,000	3,53,05,010	1,65,50,000	2,06,002	2,79,828	12,111	54,980	9,57,57,932

## Information of revaluation model (gross of deferred tax):

(Amount in ₹)

<b>Opening balance as at 1st April 2018</b>	<b>4,46,75,890</b>
Revaluation Reserve	6,55,839
Depreciation on revalued assets	-
Reversal of reserves on revalued assets sold	-
<b>Balance as at 31st March 2019</b>	<b>4,53,31,729</b>
Revaluation Reserve	-
Depreciation on revalued assets	(3,41,228)
Reversal of reserves on revalued assets sold	(39,302)
<b>Closing balance as at 31st March 2020</b>	<b>4,49,51,199</b>

If freehold land, building &amp; plant &amp; machinery was measured using the cost model. The carrying amount would be as follows:

(Amount in ₹)

	As at 31st March 2020	As at 31st March 2019
<b>Cost</b>		
Freehold Land	37,74,110	37,74,110
Buildings	4,95,27,549	4,99,65,608
Plant, machinery and equipment	3,08,00,109	2,68,78,697
	<b>8,41,01,768</b>	<b>8,06,18,415</b>
<b>Accumulated depreciation</b>		
Freehold Land	-	-
Buildings	2,07,28,244	1,91,01,798
Plant, machinery and equipment	1,28,46,787	1,16,43,336
	<b>3,35,75,031</b>	<b>3,07,45,134</b>
<b>Net carrying amount</b>	<b>5,05,26,737</b>	<b>4,98,73,281</b>

## Note 3: Other Intangible Assets

(Amount in ₹)

Particulars	Computer Software	Total
<b>At 1st April 2018</b>	1,11,80,984	1,11,80,984
Additions	-	-
Disposals	-	-
<b>At 31st March 2019</b>	1,11,80,984	1,11,80,984
Additions	-	-
Disposals	-	-
<b>At 31st March 2020</b>	1,11,80,984	1,11,80,984
<b>Depreciation and Impairment</b>		
<b>At 1st April 2018</b>	1,11,80,984	1,11,80,984
Depreciation charge for the year	-	-
Disposals	-	-
<b>At 31st March 2019</b>	1,11,80,984	1,11,80,984
Depreciation charge for the year	-	-
Disposals	-	-
<b>At 31st March 2020</b>	1,11,80,984	1,11,80,984
<b>Net Book Value</b>		
At 31st March 2020	-	-
At 31st March 2019	-	-

## Note 4: Other financial assets

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
<b>Unsecured &amp; Considered good:</b>		
Deposits	17,90,136	17,98,036
Amount paid under protest to Government Authorities	53,44,215	66,32,848
	<b>71,34,351</b>	<b>84,30,884</b>

## Note 5: Inventories

	As at March 31, 2020	As at March 31, 2019
<b>Raw Materials:</b>		
Raw Materials and Components (Including Material in Transit)	4,90,11,248	3,60,82,522
<b>Work-in-Progress:</b>		
- at Workshop	2,28,08,751	4,80,04,705
- at Site	-	1,34,08,060
	7,18,19,999	9,74,95,286
Less: Provision for Obsolete Stock at site	-	1,34,08,060
	<b>7,18,19,999</b>	<b>8,40,87,226</b>

## Note 6: Trade Receivables

	As at March 31, 2020	As at March 31, 2019
<b>Unsecured and Considered Good :</b>		
Debts over six months	55,48,078	6,10,34,928
Others	4,32,04,627	6,60,05,735
<b>Considered Doubtful :</b>		
Debts over six months	7,57,71,508	9,23,95,506
Others	-	-
	12,45,24,214	21,94,36,169
Less: Provision for Doubtful Debts	7,57,71,507	9,23,95,506
	<b>4,87,52,707</b>	<b>12,70,40,663</b>

## Note 7: Cash &amp; Cash Equivalents

	As at March 31, 2020	As at March 31, 2019
Cash on Hand	571	530
<b>Balances with Banks:</b>		
In Current accounts	41,993	41,993
In Margin for Bank Guarantees	75,84,634	71,72,527
In Cash Credit accounts	10,272	10,272
	<b>76,37,469</b>	<b>72,25,322</b>

## Note 8: Other financial assets

	As at March 31, 2020	As at 31st March, 2019
Advance to Vendors	2,73,80,266	3,61,67,203
Prepaid Expenses	4,45,622	2,23,329
Balances with customs, excise, etc. with Revenue Authorities	1,51,40,019	1,41,39,439
Income Tax Refund Due (Net)	81,36,549	87,44,499
Other Advances	17,67,14,659	11,53,82,896
	22,78,17,116	17,46,57,366
Less: Provision for Doubtful Debts (Advance to Vendors & Customer Retention/EMD)	4,31,14,450	5,56,83,786
	<b>18,47,02,666</b>	<b>11,89,73,580</b>

## Note 9: Equity Share Capital

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
a) <b>Authorised :</b> 1,75,000 Equity Shares of Rs.100/- Each	1,75,00,000	1,75,00,000
	<b>1,75,00,000</b>	<b>1,75,00,000</b>
b) <b>Issued, Subscribed &amp; Paid up</b> 169,143 Equity shares of Rs.100/- each	1,69,14,300	1,69,14,300
	<b>1,69,14,300</b>	<b>1,69,14,300</b>
c) <b>Reconciliation of number of Equity Shares outstanding :</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
At the beginning of the year	1,69,143	1,69,143
Addition/deletion during the year	-	-
<b>At the end of the year</b>	<b>1,69,143</b>	<b>1,69,143</b>

- d) The Company has only one class of equity shares . The company declares and pays dividend in Indian rupees. The holders of equity shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share .
- e) 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 dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

f) **Details of Shareholders holding more than 5% of Equity Share Capital of the Company**

		As at March 31, 2020		As at 31st March, 2019	
	Name of Shareholder	No.of Shares	% of Holding	No.of Shares	% of Holding
a)	Shree Renuka Sugars Limited- Holding Company (including holding by representatives)	1,69,143	100.00	1,69,143	100.00

Notes to Accounts forming part of Financial Statements for the year ended March 31, 2020

Note 10- Other Equity

(Amount in ₹)

	Attributable to Equity Share Holders			Total Equity attributable to the Equity holders of the Company
	Reserves and Surplus			
	Share Premium	Revaluation Reserve	Retained Earnings	
As on April 1st, 2018	36,28,18,690	4,46,75,890	(1,64,07,49,977)	(1,23,32,55,397)
Profit for the year	-	-	(3,52,803)	(3,52,803)
Other Comprehensive Income	-	6,55,839	2,83,310	9,39,149
As on March 31, 2019	36,28,18,690	4,53,31,729	(1,64,08,19,470)	(1,23,26,69,051)
Profit for the year	-	-	5,34,99,035	5,34,99,035
Other Comprehensive Income	-	(39,302)	(1,67,033)	(2,06,335)
Depreciation on revalued assets	-	(3,41,228)	3,41,228	-
As on March 31, 2020	36,28,18,690	4,49,51,199	(1,58,71,46,240)	(1,17,93,76,351)

**NON-CURRENT LIABILITIES****Note 11: Borrowings**

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
<b>Unsecured:</b>		
Loan from Holding Company (Shree Renuka Sugars Ltd)	1,34,80,46,191	1,34,80,46,191
	<b>1,34,80,46,191</b>	<b>1,34,80,46,191</b>

**Note 12: Provisions**

	As at March 31, 2020	As at March 31, 2019
<b>Provision For Employee Benefits:</b>		
Provision For Gratuity	31,26,340	26,36,971
Provision For Leave Encashment	19,00,284	11,98,200
Provision for Income Tax (Net) - AY.2010-11	98,91,310	98,91,310
	1,49,17,934	1,37,26,481
Less: Short-Term Liability (transferred to short-term provisions, Refer Note 17):		
Provision For Gratuity	4,70,082	4,18,217
Provision For Leave Encashment	5,60,490	4,87,086
	<b>1,38,87,362</b>	<b>1,28,21,178</b>

**Note 13: Deferred Tax Liabilities (Net)**

	As at March 31, 2020	As at March 31, 2019
<b>i. Deferred Tax Liability</b>		
Depreciation	75,66,616	70,54,904
<b>Gross Deferred Tax Liability</b>	<b>75,66,616</b>	<b>70,54,904</b>
<b>ii. Deferred Tax Asset</b>		
Leave Encashment	4,94,074	3,11,532
Gratuity	8,12,848	6,85,612
<b>Gross Deferred Tax Asset</b>	<b>13,06,921</b>	<b>9,97,144</b>
<b>Net Deferred Tax Liability (Net)</b>	<b>62,59,695</b>	<b>60,57,760</b>

**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2020**  
**CURRENT LIABILITIES**

**Note 14: Borrowings**

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
<b>Secured:</b>		
Working Capital Loan From Bank : IDBI Bank CC -007655100000268 (Secured by pari passu charge on movable and immovable assets of the company with corporate guarantee of holding company)	3,52,02,147	5,73,65,404
	<b>3,52,02,147</b>	<b>5,73,65,404</b>

**Note 15: Trade Payables**

	As at March 31, 2020	As at March 31, 2019
(a) Total outstanding dues of micro and small enterprises	8,84,496	-
(b) Total outstanding dues of creditors other than micro and small enterprises: For Goods and Services*	8,23,66,848	8,12,56,856
Others	2,62,291	5,45,962
	<b>8,35,13,635</b>	<b>8,18,02,818</b>

\*The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

	As at March 31, 2020	As at March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	8,84,496	-
- Interest due on above	-	-
<b>Total</b>	<b>8,84,496</b>	<b>-</b>
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

**Note 16: Other Financial Liabilities**

	As at March 31, 2020	As at March 31, 2019
Advance From Customers	7,04,27,256	13,58,51,967
Salary Payables	5,72,157	24,22,457
Statutory Dues payables	17,58,118	7,88,560
Other Payables	1,92,08,544	1,12,08,720
	<b>9,19,66,075</b>	<b>15,02,71,704</b>

**Note 17: Provisions**

	As at March 31, 2020	As at March 31, 2019
<b>Provision for Employee Benefits : Current Portion of Liability (Refer Note 12)</b>		
Provision For Gratuity	4,70,082	4,18,217
Provision For Leave Encashment	5,60,490	4,87,086
	<b>10,30,572</b>	<b>9,05,303</b>

**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2020**
**Note 18: Revenue from Operations**

(Amount in ₹)

	Year ended March 31, 2020	Year ended March 31, 2019
Sale of Products (Gross)		
Domestic	70,99,57,434	29,20,39,319
Export/overseas	8,19,85,661	2,66,38,573
Scrap	40,25,080	44,13,695
Sale of Services		
Domestic	9,52,66,943	1,99,17,589
Export	67,22,798	-
	<b>89,79,57,916</b>	<b>34,30,09,176</b>

**Note 19: Other Income**

	Year ended March 31, 2020	Year ended March 31, 2019
Sundry balances Written Back	-	1,62,35,866
Duty drawback received	19,78,410	-
Insurance Claim Received	-	28,10,258
Profit on sale of assets	2,39,024	-
Excess Provision written back	-	24,23,452
	<b>22,17,434</b>	<b>2,14,69,576</b>

**Note 20: Cost of Materials Consumed**

	Year ended March 31, 2020	Year ended March 31, 2019
Opening stock	3,58,96,268	2,21,35,339
Add: Purchases & Related Expenses	61,83,01,067	32,68,78,026
	<b>65,41,97,334</b>	<b>34,90,13,365</b>
Less: Closing Stock	3,83,00,664	3,58,96,268
	<b>61,58,96,671</b>	<b>31,31,17,097</b>

**Note 21: Changes In Inventory of Finished Goods, Work-In-Progress & Stock in Trade**

	Year ended March 31, 2020	Year ended March 31, 2019
<b>Opening stock</b>		
Work in Progress at Site	-	-
Work in Progress at Work shop	4,80,04,705	1,28,31,623
<b>A</b>	<b>4,80,04,705</b>	<b>1,28,31,623</b>
<b>Closing Stock</b>		
Work in Progress at Site	-	-
Work in Progress at Work shop	2,28,08,751	4,80,04,705
<b>B</b>	<b>2,28,08,751</b>	<b>4,80,04,705</b>
Changes In Inventory of Finished Goods, Work-In-Progress & Stock in Trade	2,51,95,954	(3,51,73,082)

**Note 22: Employee Benefit Expenses**

	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, Wages & Bonus	2,05,68,953	1,56,99,173
Contribution to Provident Fund & Others	9,16,050	8,62,968
Leave Encashment	12,09,709	1,74,257
Gratuity Expenses	3,22,336	6,76,667
Staff Welfare Expenses	12,99,874	6,93,998
	<b>2,43,16,922</b>	<b>1,81,07,063</b>

**Note 23: Finance Costs**

	Year ended March 31, 2020	Year ended March 31, 2019
<b>Interest:</b>		
On Working Capital	56,05,707	71,23,710
<b>Others:</b>		
Bank Charges	35,41,381	41,52,516
	<b>91,47,088</b>	<b>1,12,76,226</b>

**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2020**
**Note 24: Depreciation and Amortisation Expenses**

(Amount in ₹)

	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation and Amortisation of Tangible Assets*	35,22,333	31,54,842
Depreciation and Amortisation of Intangible Assets*	-	-
	<b>35,22,333</b>	<b>31,54,842</b>

\*Refer Note 2 and 3

**Note 25: Other Expenses**
**Manufacturing, Administrative and Selling & Distribution Expenses:**

	Year ended March 31, 2020	Year ended March 31, 2019
<b>i. Manufacturing Expenses</b>		
Consumption of Stores & Spares	6,92,179	22,68,120
Labour Charges	10,93,01,632	2,42,94,218
Consultancy Services	39,42,543	-
Power & Fuel	27,43,513	31,69,751
Repair & Maintenance:		
Plant & Machinery	12,44,334	3,99,319
Buildings	15,488	1,01,324
<b>A</b>	<b>11,79,39,689</b>	<b>3,02,32,733</b>
<b>ii. Administrative Expenses</b>		
Rent, Rates & Taxes	57,36,115	25,03,674
Insurance	5,21,996	2,40,414
Traveling & Conveyance	38,08,884	32,32,950
Printing & Stationery	3,14,625	2,45,512
Communication Expenses	5,78,769	5,15,307
Legal & Professional Fees	50,47,068	55,94,993
Repair & Maintenance-Others	8,87,512	11,57,451
Auditor's Remuneration	8,48,637	4,65,043
Safety & Security Expenses	12,27,128	11,76,454
Loss on Sale of Fixed Assets	2,09,321	-
Books, Subscription and Membership fees	3,050	4,000
Bad Debts Written Off	4,37,16,252	-
Less: Provision for Doubtful Debts made in prior years withdrawn	2,92,31,720	-
Provision for Doubtful Debts	38,385	-
Absolute Stock written off	1,34,08,060	-
Less: Provision withdrawn made in prior years withdrawn	1,34,08,060	-
Others	5,10,571	4,28,551
<b>B</b>	<b>3,42,16,593</b>	<b>1,55,64,349</b>
<b>iii. Selling and Distribution Expenses</b>		
Freight	1,34,60,760	66,91,528
Advertising & Sales Promotion	13,62,546	37,500
Commission/Brokerage On Sales	12,500	-
<b>C</b>	<b>1,48,35,806</b>	<b>67,29,028</b>
<b>(A+B+C)</b>	<b>16,69,92,088</b>	<b>5,25,26,109</b>

**Note 26: Current Tax**

	Year ended March 31, 2020	Year ended March 31, 2019
Short Provision of Income Tax of Earlier years	-	7,65,830
	-	<b>7,65,830</b>

**Note 27: Earnings Per Equity Share**

The calculations of earnings per share (basic and diluted) are based on the earnings and number of shares as computed below.

	Year ended March 31, 2020	Year ended March 31, 2019
<b>Reconciliation of earnings</b>		
Profit/(Loss) for the year ended	5,34,99,035	(3,52,803)
<b>Net profit/(Loss) attributable to equity shareholders</b>	<b>5,34,99,035</b>	<b>(3,52,803)</b>
<b>Reconciliation of number of shares</b>	<b>Shares</b>	<b>Shares</b>
Shares outstanding at the beginning of the year	1,69,143	1,69,143
Shares outstanding at the end of the year	1,69,143	1,69,143
<b>Weighted average number of equity shares</b>	<b>1,69,143</b>	<b>1,69,143</b>
<b>Basic and Diluted Earnings Per Share (in rupees)</b>	<b>316.29</b>	<b>(2.09)</b>
[Nominal value of shares Re. 100/- each]		



**28. Other Notes to the Financial Statements:** (All amounts in Indian Rupees, unless otherwise stated)

i) **Outstanding Commitments:** As at March 31, 2020, the Company had the following outstanding commitments:

S. No.	Outstanding Commitments	Year Ended March 31, 2020	Year Ended March 31, 2019
A	Bank Guarantee	10,320,000	13,579,309
B	Letter of Credit	-	38,312,977

ii) **Contingent Liabilities:**

Liabilities classified and considered contingent due to contested claims and legal disputes	Year Ended March 31, 2020	Year Ended March 31, 2019
Excise and Service Tax Demands (for ST, no demand)	285,489,817	288,786,190
Sales Tax/VAT Demands	13,815,095	14,603,483
PF Claim and Interest	2,618,681	2,618,681
Income Tax	7,759,197	7,759,197
Legal cases – Vendor and Customer	296,084,406	962,116,765

Company does not provide for warranty claims, as there are no precedents of such claim against company. There are no other contingent liabilities as on the date of balance sheet. As the company is involved in engineering industry, the liability towards completion of the project in progress is a contingent liability. However the liability cannot be quantified.

iii) **Contracts in Process:**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Net value of contracts in process	116,706,274	785,795,698

iv) **Consumption of Raw Materials:**

	Year Ended March 31, 2020	% of Total Consumption	Year Ended March 31, 2019	% of Total Consumption
Raw Material :				
Imported	Nil	Nil	Nil	Nil
Domestic	615,896,671	100%	313,117,097	100%
<b>Total-</b>	<b>617,856,169</b>	<b>100%</b>	<b>313,117,097</b>	<b>100%</b>

v) **Expenditure in Foreign Currency:**

Expenditure	Year Ended March 31, 2020	Year Ended March 31, 2019
Travel Expenses	625,670	208,357

vi) **Earnings in Foreign Currency:**

Earnings	Year Ended March 31, 2020	Year Ended March 31, 2019
Sale of Service/Material	66,322,106	26,638,573

vii) **Auditors Remuneration**

		Year Ended March 31, 2020	Year Ended March 31, 2019
A	<b>As Auditor</b>		
	Audit Fees	2,00,000	100,000
	Tax Audit Services	1,00,000	25,000
	Limited Review	90,000	-
B	<b>In Other Capacity</b>		
	Certification Charges	1,00,000	25,000
	Other Services	1,00,000	100,000
	Reimbursement of Expenses	183,637	185,043

## viii) Defined Benefits Plans

S.NO	Particulars	Gratuity Benefits		Compensated Absences	
		Year Ended March 31, 2020	Year Ended March 31, 2019	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>1</b>	<b>Change in Benefit obligation</b>				
	Opening Defined Benefit Obligation	2,636,971	2,435,338	11,98,200	16,82,534
	Current service cost	353,495	4,98,887	446,334	417,330
	Interest cost	168,736	1,77,780	66,349	122,658
	Due to Change in Financial Assumption	171,400	38,238	89,227	12,934
	Due to experience adjustments	(5,269)	(321,548)	407,192	(703,754)
	Past Service Cost	-	-	-	-
	Actuarial loss/ (gain) on Obligation	902	-	713	-
	Benefits paid	(199,895)	(191,724)	(307,730)	(333,502)
	<b>Closing Defined Benefit Obligation</b>	<b>3,126,340</b>	<b>2,636,971</b>	<b>1,900,284</b>	<b>1,198,200</b>
<b>2</b>	<b>Change in Plan Assets</b>				
	Opening value of plan assets	-	-	-	-
	Interest Income	-	-	-	-
	Return on plan assets excluding amounts included interest income	-	-	-	-
	Contributions by employer	-	-	-	-
	Benefits paid	-	-	-	-
	<b>Closing value of plan assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>3</b>	<b>Fund Status of Plan Assets</b>				
	Present value unfunded obligations	3,126,340	2,636,971	1,900,284	1,198,200
	Present value funded obligations	-	-	-	-
	Fair Value of plan assets	-	-	-	-
	<b>Net Liability (Assets)</b>	<b>3,126,340</b>	<b>2,636,971</b>	<b>1,900,284</b>	<b>1,198,200</b>
<b>4</b>	<b>Other Comprehensive Income for the current period</b>				
	Due to Change in financial assumptions	1,71,400	38,238	89,227	12,934
	Due to change in demographic assumption	902	-	713	-
	Due to experience adjustments	(5,269)	(3,21,548)	407,192	(703,754)
	Return on plan assets excluding amounts included in interest income	-	-	-	-
	<b>Amounts recognized in Other Comprehensive Income</b>	<b>1,67,033</b>	<b>(283,310)</b>	<b>497,131</b>	<b>(690,820)</b>
<b>5</b>	<b>Defined benefit liability</b>				
	Net opening provision in books of accounts	2,636,971	2,435,338	11,98,200	1,682,534
	Current service cost	3,53,495	498,887	446,334	417,330
	Net Interest cost	1,68,736	177,780	66,349	122,658
	Past Service Cost	-	-	-	-
	Actuarial Loss/(gain) recognized in Other Comprehensive Income	1,67,033	(283,310)	497,131	(690,820)
	Benefits paid by the Company	(1,99,895)	(191,724)	(307,730)	(333,502)
	<b>Closing provision in books of accounts</b>	<b>3,126,340</b>	<b>2,636,971</b>	<b>1,900,284</b>	<b>1,198,200</b>
<b>6</b>	<b>Principal Actuarial Assumption</b>				
	Discount rate (p.a.)	5.74%	6.95%	5.74%	6.95%
	Salary Growth rate (p.a.)	21.00%	21.00%	21.00%	21.00%
	Withdrawal Rates				
	Age upto 25 years	26.00%	26.00%	26.00%	26.00%
	Age 26 - 35 years	26.00%	26.00%	26.00%	26.00%
	Age 36 - 45 years	26.00%	26.00%	26.00%	26.00%
	Age 46 - 55 years	26.00%	26.00%	26.00%	26.00%
	Age above 56 years	26.00%	26.00%	26.00%	26.00%

**ix) Related party disclosures:**

**Related parties**

**(a) Holding Companies**

- i. Shree Renuka Sugars Limited

**(b) Associate Companies**

- i. Gokak Sugars Limited  
 ii. Renuka Vale Do Ivai S/A  
 iii. Adani Wilmar Limited  
 iv. Ravindra Energy Limited (30.06.2019)  
 v. PT Jawananis Rafinasi (JMR)  
 vi. Irving Investments Limited (Wilmar) Mozambique  
 vii. Bright Agrocomm DMCC, Dubai  
 viii. Great Wall – Wilmar Holding Limited, Myanmar  
 ix. BIDCO Uganda Limited; Uganda  
 x. MW Rice Millers Limited  
 xi. Sania Cie  
 xii. Ghana Speciality Fats Industries Ltd.  
 xiii. Alfa Trading Limited.  
 xiv. Great Wall – Wilmar Holding Limited. Beira

**(c) Key Managerial Personnel**

- i. Mr. Atul Chaturvedi- Director  
 ii. Mr. Vijendra Singh- Director  
 iii. Mr. Sunil Kadam- Director

**Transactions with Related Parties**

**a) Shree Renuka Sugars Limited (India)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Nature of transaction</b>	<b>Advances</b>	<b>Advances</b>
Other Advances Repaid/(Received)	-	(10,702)
Outstanding as at the end of the year	(1,348,046,191)	(1,348,056,893)
<b>Nature of transaction</b>	<b>Sales</b>	<b>Sales</b>
Sale of Plant & Machinery and others	874,647,377	263,053,402
Advance received for Sale	(113,792,927)	(181,228,482)
Receipts against Sales	(637,759,794)	(118,966,765)
Outstanding as at the end of the year	(84,933,106)	(36,793,616)
<b>Nature of transaction</b>	<b>Reimbursement of expenses</b>	<b>Reimbursement of expenses</b>
Volume of transactions	(11,641,329.8)	-
Outstanding as at the end of the year	(11,641,329.8)	-
<b>Nature of transaction</b>	<b>Corporate Guarantee Charges</b>	<b>Corporate Guarantee Charges</b>
Volume of Transactions	(350,499)	-
Outstanding as at the end of the year	(350,499)	-

**b) Gokak Sugars Limited (India)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Nature of transaction</b>	<b>Sales</b>	<b>Sales</b>
Sale of Plant & Machinery & Others	432,184	1,371,626
Advance received for Sale	-	(108,514)
Receipt against Sale	(1,175,586)	(510,528)
Outstanding as at the end of the year	-	743,402
<b>Nature of transactions</b>	<b>Purchase of capital goods</b>	<b>Purchase of capital goods</b>
Volume of transactions	(11,800)	-
Outstanding as at the end of the year	(11,800)	-

**c) Renuka Vale Do Ivaí S/A - Brazil**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Nature of transaction</b>	<b>Sales</b>	<b>Sales</b>
Volume of transactions during the year	-	-
Bad Debts write off	(123,801)	-
Restatement of Forex	2,775.55	7,198
Outstanding as at the end of the year	-	121,026

**d) Adani Wilmar Ltd. (India)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Nature of transaction</b>	<b>Sales</b>	<b>Sales</b>
Volume of transaction during the year	57,320,885	2,58,15,330
Receipt Against Advance	(7,214,310)	(12,742,773)
Receipt Against Sale	(41,852,540)	(14,488,914)
Outstanding as at the end of the year	(6,867,427)	(1,386,608)

**e) Ravindra Energy Limited (India)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Nature of transaction</b>	<b>Sales</b>	<b>Sales</b>
Receipt against Sale	-	(2,591,011)
Outstanding as at the end of the year	12,540,000	12,540,000

**f) PT Jawanani Rafinasi ( JMR)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Nature of transaction</b>	<b>Sales</b>	<b>Sales</b>
Sale of Plant & Machinery & Others	46,642,534	300,170
Receipt against Advance	(4,066,627)	-
Receipt against Sale	(43,688,878.64)	-
Restatement of Forex	126,246	(9,714)
Outstanding as at the end of the year	(696,271)	290,455

g) **Irving Investments Limited (Wilmar) Mozambique**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Nature of transaction</b>	<b>Sales</b>	<b>Sales</b>
Sale of Plant & Machinery & Others	4,201,480	6,028,050
Receipt against Advance	-	(10,272,482)
Receipt against Sale	-	(19,111)
Restatement of Forex	(81,173)	194,433
Outstanding as at the end of the year	51,196	(4,069,110)

h) **BRIGHT AGROCOMM DMCC; Dubai**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Nature of transaction</b>	<b>Sales</b>	<b>Sales</b>
Sale of Plant & Machinery & Others	13,841,599	20,310,354
Receipt against Advance	(6,407,254)	(24,979,801)
Receipt against Sale	(1,543,985)	-
Restatement of Forex	(181,088)	288,108
Outstanding as at the end of the year	1,328,652	(4,380,620)

i) **GREAT WALL - WILMAR HOLDINGS LIMITED. Mynamar**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Nature of transaction</b>	<b>Sales</b>	<b>Sales</b>
Sale of Plant & Machinery & Others	-	234,845
Receipt against Sale	-	(224,474)
Restatement of Forex	(3,510)	(6,861)
Outstanding as at the end of the year	-	3,510

j) **GREAT WALL - WILMAR HOLDINGS LIMITED. Beira**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Nature of transaction</b>	<b>Sales</b>	<b>Sales</b>
Sale of Plant & Machinery & Others	1,112,336	-
Receipt against Advance	(544,587)	-
Receipt against Sale	-	-
Restatement of Forex	29,330	-
Outstanding as at the end of the year	597,079	-

k) **BIDCO UGANDA LIMITED; UGANDA**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Nature of transaction</b>	<b>Sales</b>	<b>Sales</b>
Sale of Plant & Machinery & Others	3,776,897	-
Receipt against Advance	(1,263,844)	-
Receipt against Sale	(2,334,265)	-
Restatement of Forex	(178,789)	-
Outstanding as at the end of the year	-	-

**l) MW RICE MILLERS LIMITED**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Nature of transaction</b>	<b>Sales</b>	<b>Sales</b>
Sale of Plant & Machinery & Others	6,234,631	-
Receipt against Sale	(6,410,099)	-
Restatement of Forex	58,2232	-
Outstanding as at the end of the year	(117,244)	-

**m) SANIA Cie**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Nature of transaction</b>	<b>Sales</b>	<b>Sales</b>
Sale of Plant & Machinery & Others	13,525,101	-
Receipt against Advance	(12,257,335)	-
Receipt against Sale	(1,003,389)	-
Restatement of Forex	(264,377)	-
Outstanding as at the end of the year	-	-

**n) GHANA SPECIALITY FATS INDUSTRIES LTD.**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Nature of transaction</b>	<b>Sales</b>	<b>Sales</b>
Sale of Plant & Machinery & Others	-	-
Receipt against Advance	(12,449,188)	-
Receipt against Sale	(13,039,938)	-
Restatement of Forex	(724,958)	-
Outstanding as at the end of the year	(26,214,080)	-

**o) ALFA TRADING LIMITED**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Nature of transaction</b>	<b>Sales</b>	<b>Sales</b>
Sale of Plant & Machinery & Others	3,453,283	-
Receipt against Advance	(1,479,864)	-
Receipt against Sale	(1,490,358)	-
Restatement of Forex	(107,389)	-
Outstanding as at the end of the year	375,672	-

- x)** Balances appearing under the head trade payables, trade receivables, loans & advances and deposits are subject to confirmation, adjustments, if any, on the receipt/reconciliation of such accounts.
- xi)** The Holding Company in its Board meeting held on March 12, 2018 decided that it will not charge interest to the Company from January 01, 2018.

- xii) Consequent to the outbreak of COVID-19, which has been declared a pandemic by the World Health Organization (WHO), Government of India and State government have declared Lockdown restrictions which have impacted business in general. The outbreak of COVID-19 pandemic in India over the past few days, the Company has been closely monitoring the situation and managing its operations while taking necessary preventive measures. As the situation continues to unfold, our primary concern remains the welfare of our employees, their families and our local communities, and we will continue to provide all support possible to them. To ensure well-being of all employees and to maintain continuity of critical operations, the Company has adopted a work from home policy for all office employees which will continue until it is considered safe to resume work from office. As we continue to monitor the situation at hand, we hope that together as a country, this will be behind us soon.
- The company has considered internal and external information while finalizing various estimates and making assumptions to its financial statements and no material impact on financial results inter alia including the carrying value of various current and non-current assets are expected to rise.
- Based on the aforesaid, the management concludes that no material uncertainty exists about the company's ability to continue as a going concern and accordingly the management has prepared these financial statements on a going concern basis.

- xiii) Previous year's figures have been regrouped/ rearranged wherever necessary to conform to the current year grouping.

To be read with our report of even date

**For K N Prabhaskar & Co.**  
(formerly known as Ashok Kumar, Prabhaskar & Co.)  
Chartered Accountants  
Firm Reg. No : 004982S  
KHOKALE  
NARAYANARAO  
PRABHASHANKAR  
**K.N. Prabhaskar**  
Partner  
Membership No : 019575

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NARAYANARAO  
PRABHASHANKAR  
Date: 2020.06.27 22:20:11 +05'30'

For and on behalf of Board

**KBK Chem Engineering Private Limited**

**VIJENDRA  
A SINGH**

**Vijendra Singh**  
Director  
DIN : 03537522

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Date: 2020.06.27 20:56:34 +05'30'

**Sunil  
Sakharam  
Kadam**

**Sunil Kadam**  
Director  
DIN : 00212461

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by Sunil Sakharam  
Kadam  
Date: 2020.06.27  
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**Date :** June 27 , 2020  
**Place:** Mumbai