CORPORATE INFORMATION

DIRECTORS	:	Shri Murli Dhar - Executive Chairman Shri Bimal Kumar Gyanchandani - Managing Director Shri Rahul Gyanchandani - Jt. Managing Director Shri Manoj Kumar - Director Shri Rohit Gyanchandani - Director Shri Naresh Kumar Phoolwani – Director Dr. R. P. Singh - Independent Director Dr. J. N. Gupta - Independent Director Smt. Renuka Gulati - Independent Director
COMPANY SECRETARY & CHIEF FINANCIAL OFFICER	:	Shri S. K. Bajpai
STATUTORY AUDITORS	:	M/s. S. R. Batliboi & Co. LLP Chartered Accountants
COST AUDITORS	:	Jitendra, Navneet & Co. Cost Accountants
BANKERS	:	1. State Bank of India 2. Standard Chartered Bank 3. HDFC Bank Ltd. 4. Yes Bank Ltd. 5. Citibank N.A.
REGISTERED OFFICE	:	119-121 (Part), Block P & T, Fazal Ganj, Kalpi Road, Kanpur-208 012 (U.P.)
CORPORATE OFFICE	:	Plot No. 124, Sector 44, Gurugram - 122003 (Haryana)
DEBENTURE TRUSTEE	:	Axis Trustee Services Limited The Ruby, 2nd Floor SW 29, Senapati Bapat Marg, Dadar West, Mumbai - 400028

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WORKS

SOAP & DETERGEMT DIVISION

i) ALWAR UNIT

Plot No. 10, Matsya Industrial Area, Alwar - 301 03 (Rajasthan)

ii) AURANGABAD UNIT

Plot No. B-9/1, MIDC Industrial Area Valuj, Aurangabad - 431136 (Maharashtra)

iii) BIDAR UNIT

Plot No. 339, Kalhar Industrial Area, Bidar (Karnataka)

iv) BHOGANIPUR UNIT

542, 544, Haidarpur, Bhoganipur, Kanpur (Dehat) - 209 111 (U.P.)

v) DHAR UNIT - I

Shed No. S-4/3 & S-4, 4 & Plot No. 65, Sector-III, Pitampurta Distt. Dhar - 454 774 (M.P.)

vi) DHAR UNIT - III

Plot No. 123, Sector-III, Industrial Area, Pitampurta Distt. Dhar - 454 774 (M.P.)

vii) DHAR UNIT - IV

Plot No. 74 to 90, Sector-III, Industrial Area, Pitampurta Distt. Dhar - 454 774 (M.P.)

viii) GREATER NOIDA

Plot No. 4, ECOTECH-02, Greater Noida, Gautam Buddha Nagar (U.P.)

ix) HARIDWAR UNIT

Plot No. 3A, 6&7, Sector-3, Integrated Industrial Estate (IIE), Ranipur, Haridwar - 249 403, (Uttarakhand)

x) HOME & PERSONAL CARE UNIT

Plot No. 26 & 27, Sector-III, IIE, SIDCUL, Haridwar

xi) JAMSHEDPUR UNIT

Vilage-Bhilai Pahari Ghatsila Road, Jamshedpur

xii) JHANSI UNIT

C-6-11, Bijauli Growth Centre, Jhansi Industrial Area, Jhansi - 284 135 (U.P.)

xiii) KDC- CHAUBEPUR UNIT

474\2, 474, Malon, Chaubepur, Kanpur - 209 203 (U.P.)

xiv) RD-CHAUBEPUR UNIT

452 , Malon, Chaubepur, Kanpur - 209 203 (U.P.)

xv) RSD-CHAUBEPUR UNIT

390, 391, 394 , Malon, Chaubepur, Kanpur - 209 203 (U.P.)

xvi) RANIA UNIT

Village Prasidhpur, Rania, Kanpur (Dehat) - 209 304 (U.P.)

xvii) RANIA PACKAGING UNIT

Plot No. 2061, 2069, 2070 & 2088, Vishayakpur, Rania, Kanpur (Dehat) - 209 304 (U.P.)

xviii) RAIPUR UNIT

Plot No. 31 to 37, Kanera Road, Gram - Accholi (Urla) Raipur (Chattisgarh) - 492 001

xix) ROORKEE UNIT

Plot No. B-4, C-4 to C6, Village-Roorkee, Distt. Haridwar - 248 001 (Uttarakhand)

xx) SD-CAUBEPUR UNIT 392

Malon, Chaubepur, Kanpur - 209 203 (U.P.)

xxi) SMSI-CAUBEPUR UNIT 236

Malon, Chaubepur, Kanpur - 209 203 (U.P.)

xxii) SAGAR UNIT - I

Plot No. 11-24, Sector-B, MPAKVN Growth Centre, Sidhgawan, Sagar - 470 004 (M.P.)

xxiii) SAGAR UNIT - II

Plot No. 42 to 46 & 49 to 53, MPAKVN Growth Centre, Sidhgawan, Sagar - 470 004 (M.P.)

xxiv) SAHIBABAD UNIT

Plot No. B-4, Site-4, Sahibabad Industrial Area, Ghaziabad - 201 010 (U.P.)

xxv) UMRAN UNIT

Chak No. 252 and 268, Village Umran, Rania, Kanpur (Dehat) - 209 304 (U.P.)

WIND POWER DIVISION

xxvi) JAMNAGAR

Navagaon Kalavad, Jamnagar, Gujarat

xxvii) KARNATAKA

Vani Vilas Sagar, Village-Illadarkere, Chitradurga, Karnataka

xxviii) KUNDADAM

Coimbatore, Tamilnadu

xxix) RAJASTHAN

Akal, Village Baroda Gaon, Distt. Jaisalmer, Rajasthan

xxx) MADHYA PRADESH

a) Village Nagari, Thsil, Daloda, Distt. Mandsaur

b) Village Jelilyakhedi, Bhelakheda, Jagoti, Tehsil, Mahidpur, Distt., Ujjain

SODA ASH PLANT

xxxi) VILLAGE KHURANGA

Distt. Devbani Dwarka, Gujarat - 361335

RSPL
EVOLUTION IS CONSTANT

NOTICE

NOTICE is hereby given that the Thirty First Annual General Meeting of the Members of RSPL Limited, will be held on Monday, 30th day of September 2019 at 5:00 P.M. at the Registered Office of the Company at 119-121 (Part), Block P & T, fazalganj, Kalpi Road, Kanpur-208012 to transact the following businesses:-

1. To receive, consider and adopt:
   a. the Audited Financial Statement of the Company for the Financial year ended 31st March, 2019 together with the Reports of Directors and Auditors thereon; and
   b. the Audited Consolidated Financial Statement for the Financial year ended 31st March, 2019 together with the Report of the Auditors thereon.
2. To confirm the payment of Interim Dividend already paid during the year as Final Dividend for the Financial Year ended 31st March, 2019.
3. To appoint a Director in place of Shri Manoj Kumar (DIN- 00049387) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Rohit Gyanchandani (DIN- 00049486) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. To consider Re-appointment of Shri Murlidhar Gyanchandani (DIN:00049298) as Executive Chairman and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution**:

   "**RESOLVED THAT** pursuant to provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of Shri Murlidhar Gyanchandani (DIN: 00049298) as Managing Director designated as Executive Chairman of the Company to exercise powers of day to day management of affairs of the Company, for a period of three years with effect from 1st October, 2019 on the following terms and conditions:-

A) SALARY:

Rs. 90,00,000/- (Rupees Ninety Lacs only) per month with such annual increment as the Board of Directors may approve subject to payment of maximum salary up to Rs. 1,00,00,000/- (Rupees One Crore only) per month.

B) COMMISSION:

The Executive Chairman shall be entitled to Commission @1% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013 and payable based upon the quarterly/ half yearly/ annual financial performance of the Company.

C) PERQUISITES:

In addition to the Salary and Commission as above, the Executive Chairman shall be entitled to the following perquisites:

PART-A

(i) **Housing –** The Executive Chairman shall be entitled to furnished accommodation or House Rent Allowance in lieu thereof, together with reimbursement of expenses for utilisation of gas, electricity, water and maintenance.

(ii) **Medical Reimbursement –** Reimbursement of actual medical expenses incurred in India and / or abroad including hospitalization, medicine and surgical charges for himself and family. In case of any medical treatment abroad, the travelling, boarding and lodging expenses for the patient and attendant are also payable. An appropriate Medical Insurance policy may also be taken for Executive Chairman and his family by the Company.

(iii) **Leave Travel Concession –** Reimbursement of all the expenses (like Travel fare, lodging, boarding, conveyance and other expenses) incurred for self and family once in a year, wherever undertaken, whether in India or abroad. The entitlement for one year to the extent not availed shall be allowed to be accumulated up to next two years.

(iv) **Entertainment expenses and other Business expenses –** Reimbursement of entertainment, travelling including foreign travel and all other expenses if any, actually and properly incurred for the business of the Company.

(v) **Club Fee:** Subscription or reimbursement of membership fees for clubs in India and / or abroad, including admission and life membership fees.

(vi) **Personal Accident Insurance:** An appropriate Personal Accident Insurance policy may also be taken for Executive Chairman and his family by the Company.

(vii) Such other allowances and perquisites as may be approved by the Board.

Explanation:-

"Family" here means the spouse and dependent children of the Executive Chairman.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income-Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

PART –B

(i) Contribution to (a) Provident Fund (b) Superannuation Fund or Annuity fund as per Company's rules. These will not be included in the computation of the ceiling on perquisites, if any, to the extent either singly or put together are not taxable under the Income Tax- Act, 1961.

(ii) Gratuity not exceeding half month's salary for each completed year of service.

(iii) The Executive Chairman shall be entitled to leave with pay for a period not exceeding one month for every eleven months of services besides casual and sick leaves. Leaves accumulated but not availed will be allowed to be encashed.

PART – C

The Company shall provide a car with driver, Mobile and basic telephone at the residence of the Executive Chairman. Use of Company's Car for official purpose, mobile and basic telephone at residence (including payment for local calls and long distance official calls), shall not be included in the computation of perquisites.

"**RESOLVED FURTHER THAT** where in any financial year during the currency of term of Executive Chairman, the Company has no profits or its profits are inadequate, the Company shall pay to Executive Chairman, remuneration by way of Salary, Commission and Perquisites as specified above as minimum remuneration, subject to the compliance of the applicable provisions of the Companies Act, 2013."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to alter, vary and modify the terms and conditions of appointment of Shri Murlidhar Gyanchandani from time to time, during the tenure of his appointment as Executive Chairman of the Company including salary, commission and perquisites subject to the compliance of the applicable provisions of the Companies Act, 2013."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution and to settle any questions, doubts or difficulties without being required to seek further approval of the members and the approval of the members shall be deemed to have been given thereto expressly by the authority of this resolution."

6. To consider Re-appointment of Shri Bimal Kumar Gyanchandani (DIN: 00049337) as Managing Director and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution**:

"**RESOLVED THAT** pursuant to provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of Shri Bimal Kumar Gyanchandani (DIN: 00049337) as Managing Director of the Company to exercise powers of day to day management of affairs of the Company, for a period of three years with effect from 1st October, 2019 on the following terms and conditions:-

A) SALARY:

Rs. 90,00,000/- (Rupees Ninety Lacs only) per month with such annual increment as the Board of Directors may approve subject to payment of maximum salary up to Rs. 1,00,00,000/- (Rupees One Crore only) per month.

B) COMMISSION:

The Managing Director shall be entitled to Commission @1% of the Net Profits of the Company calculated as per Section 198 of the Companies Act,2013 and payable based upon the quarterly/ half yearly/ annual financial performance of the Company.

C) PERQUISITES:

In addition to the Salary and Commission as above, the Managing Director shall be entitled to the following perquisites:

PART-A

(i) Housing – The Managing Director shall be entitled to furnished accommodation or House Rent Allowance in lieu thereof, together with reimbursement of expenses for utilisation of gas, electricity, water and maintenance.

(ii) Medical Reimbursement – Reimbursement of actual medical expenses incurred in India and /or abroad including hospitalization, medicine and surgical charges for himself and family. In case of any medical treatment abroad, the travelling, boarding and lodging expenses for the patient and attendant are also payable. An appropriate Medical Insurance policy may also be taken for Managing Director and his family by the Company.

(iii) Leave Travel Concession – Reimbursement of all the expenses (like Travel fare, lodging, boarding, conveyance and other expenses) incurred for self and family once in a year, wherever undertaken, whether in India or abroad. The entitlement for one year to the extent not availed shall be allowed to be accumulated up to next two years.

(iv) Entertainment expenses and other Business expenses – Reimbursement of entertainment, travelling including foreign travel and all other expenses if any, actually and properly incurred for the business of the Company.

(v) Club fee: Subscription or reimbursement of membership fees for clubs in India and / or abroad, including admission and life membership fees.

(vi) Personal Accident Insurance: An appropriate Personal Accident Insurance policy may also be taken for Managing Director and his family by the Company.

(vii) Such other allowances and perquisites as may be approved by the Board.

Explanation:-

“Family” here means the spouse and dependent children of the Managing Director.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income-Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

PART –B

(i) Contribution to (a) Provident Fund (b) Superannuation Fund or Annuity fund as per Company’s rules. These will not be included in the computation of the ceiling on perquisites, if any, to the extent either singly or put together are not taxable under the Income Tax- Act, 1961.

(ii) Gratuity not exceeding half month’s salary for each completed year of service.

(iii) The Managing Director shall be entitled to leave with pay for a period not exceeding one month for every eleven months of services besides casual and sick leaves. Leaves accumulated but not availed will be allowed to be encashed.

PART – C

The Company shall provide a car with driver, Mobile and basic telephone at the residence of the Managing Director. Use of Company’s Car for official purpose, mobile and basic telephone at residence (including payment for local calls and long distance official calls), shall not be included in the computation of perquisites.

“**RESOLVED FURTHER THAT** where in any financial year during the currency of term of Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay to Managing Director, remuneration by way of Salary, Commission and Perquisites as specified above as minimum remuneration, subject to the compliance of the applicable provisions of the Companies Act, 2013 .”

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to alter, vary and modify the terms and conditions of appointment of Shri Bimal Kumar Gyanchandani from time to time, during the tenure of his appointment as Managing Director of the Company including salary, commission and perquisites subject to the compliance of the applicable provisions of the Companies Act, 2013."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution and to settle any questions, doubts or difficulties without being required to seek further approval of the members and the approval of the members shall be deemed to have been given thereto expressly by the authority of this resolution."

7. To consider Re-appointment of Shri Rahul Gyanchandani (DIN: 00049468) as Joint Managing Director and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution**:

"**RESOLVED THAT** pursuant to provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of Shri Rahul Gyanchandani (DIN: 00049468) as Joint Managing Director of the Company to look after Operations and Planning functions of Soap and Detergent Division, Soda Ash project and Finance functions of the Company, for a period of three years with effect from 1st October, 2019 on the following terms and conditions:-

A) SALARY:

Rs. 75,00,000/- (Rupees Seventy Five Lacs only) per month with such annual increment as the Board of Directors may approve subject to payment of maximum salary up to Rs. 90,00,000/- (Rupees Ninety Lacs only) per month.

B) COMMISSION:

The Joint Managing Director shall be entitled to Commission @1% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013 and payable based upon the quarterly/ half yearly/ annual financial performance of the Company.

C) PERQUISITES:

In addition to the Salary and Commission as above, the Joint Managing Director shall be entitled to the following perquisites:

<u>PART-A</u>

(i) **Housing –** The Joint Managing Director shall be entitled to furnished accommodation or House Rent Allowance in lieu thereof, together with reimbursement of expenses for utilisation of gas, electricity, water and maintenance.

(ii) **Medical Reimbursement –** Reimbursement of actual medical expenses incurred in India and /or abroad including hospitalization, medicine and surgical charges for himself and family. In case of any medical treatment abroad, the travelling, boarding and lodging expenses for the patient and attendant are also payable. An appropriate Medical Insurance policy may also be taken for Joint Managing Director and his family by the Company.

(iii) **Leave Travel Concession –** Reimbursement of all the expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred for self and family once in a year, wherever undertaken, whether in India or abroad. The entitlement for one year to the extent not availed shall be allowed to be accumulated up to next two years.

(iv) **Entertainment expenses and other Business expenses –** Reimbursement of entertainment, travelling including foreign travel and all other expenses if any, actually and properly incurred for the business of the Company.

(v) **Club fee:** Subscription or reimbursement of membership fees for clubs in India and / or abroad, including admission and life membership fees.

(vi) **Personal Accident Insurance:** An appropriate Personal Accident Insurance policy may also be taken for Joint Managing Director and his family by the Company.

(vii) Such other allowances and perquisites as may be approved by the Board.

Explanation:-

"Family" here means the spouse and dependent children of the Joint Managing Director.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income-Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

PART –B

(i) Contribution to (a) Provident Fund (b) Superannuation Fund or Annuity fund as per Company's rules. These will not be included in the computation of the ceiling on perquisites, if any, to the extent either singly or put together are not taxable under the Income Tax- Act, 1961.

(ii) Gratuity not exceeding half month's salary for each completed year of service.

(iii) The Joint Managing Director shall be entitled to leave with pay for a period not exceeding one month for every eleven months of services besides casual and sick leaves. Leaves accumulated but not availed will be allowed to be encashed.

PART – C

The Company shall provide a car with driver, Mobile and basic telephone at the residence of the Joint Managing Director. Use of Company's Car for official purpose, mobile and basic telephone at residence (including payment for local calls and long distance official calls), shall not be included in the computation of perquisites.

"**RESOLVED FURTHER THAT** where in any financial year during the currency of term of Joint Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay to Joint Managing Director, remuneration by way of Salary, Commission and Perquisites as specified above as minimum remuneration, subject to the compliance of the applicable provisions of the Companies Act, 2013."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to alter, vary and modify the terms and conditions of appointment of Shri Rahul Gyanchandani from time to time, during the tenure of his appointment as Joint Managing Director of the Company including salary, commission and perquisites subject to the compliance of the applicable provisions of the Companies Act, 2013."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution and to settle any questions, doubts or difficulties without being required to seek further approval of the members and the approval of the members shall be deemed to have been given thereto expressly by the authority of this resolution."

8. To consider Re-appointment of Shri Manoj Kumar (DIN: 00049387) as Whole-time Director of the Company and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution**:

"**RESOLVED THAT** pursuant to provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of Shri Manoj Kumar (DIN:00049387) as Whole-time Director designated as Executive Director of the Company to look after Marketing, Advertisement and Media functions of the Company, for a period of three years with effect from 1st October, 2019 on the following terms and conditions:-

A) SALARY:

Rs. 75,00,000/- (Rupees Seventy Five Lacs only) per month with such annual increment as the Board of Directors may approve subject to payment of maximum salary up to Rs. 90,00,000/- (Rupees Ninety Lacs only) per month.

B) COMMISSION:

The Whole-time Director shall be entitled to Commission @1% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013 and payable based upon the quarterly/ half yearly/ annual financial performance of the Company.

C) PERQUISITES:

In addition to the Salary and Commission as above, the Whole-time Director shall be entitled to the following perquisites:

PART-A

(i) **Housing –** The Whole-time Director shall be entitled to furnished accommodation or House Rent Allowance in lieu thereof, together with reimbursement of expenses for utilisation of gas, electricity, water and maintenance.

(ii) **Medical Reimbursement –** Reimbursement of actual medical expenses incurred in India and /or abroad including hospitalization, medicine and surgical charges for himself and family. In case of any medical treatment abroad, the travelling, boarding and lodging expenses for the patient and attendant are also payable. An appropriate Medical Insurance policy may also be taken for Whole-time Director and his family by the Company.

(iii) **Leave Travel Concession –** Reimbursement of all the expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred for self and family once in a year, wherever undertaken, whether in India or abroad. The entitlement for one year to the extent not availed shall be allowed to be accumulated up to next two years.

(iv) **Entertainment expenses and other Business expenses –** Reimbursement of entertainment, travelling including foreign travel and all other expenses if any, actually and properly incurred for the business of the Company.

(v) **Club fee:** Subscription or reimbursement of membership fees for clubs in India and / or abroad, including admission and life membership fees.

(vi) **Personal Accident Insurance:** An appropriate Personal Accident Insurance policy may also be taken for Whole-time Director and his family by the Company.

(vii) Such other allowances and perquisites as may be approved by the Board.

Explanation:-

“Family” here means the spouse and dependent children of the Whole-time Director.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income-Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

PART –B

(i) Contribution to (a) Provident Fund (b) Superannuation Fund or Annuity fund as per Company’s rules. These will not be included in the computation of the ceiling on perquisites,if any, to the extent either singly or put together are not taxable under the Income Tax- Act, 1961.

(ii) Gratuity not exceeding half month’s salary for each completed year of service.

(iii) The Whole-time Director shall be entitled to leave with pay for a period not exceeding one month for every eleven months of services besides casual and sick leaves. Leaves accumulated but not availed will be allowed to be encashed.

PART – C

The Company shall provide a car with driver, Mobile and basic telephone at the residence of the Whole-time Director. Use of Company’s Car for official purpose, mobile and basic telephone at residence (including payment for local calls and long distance official calls), shall not be included in the computation of perquisites.

“**RESOLVED FURTHER THAT** where in any financial year during the currency of term of Whole-time Director, the Company has no profits or its profits are inadequate, the Company shall pay to Whole-time Director, remuneration by way of Salary, Commission and Perquisites as specified above as minimum remuneration, subject to the compliance of the applicable provisions of the Companies Act, 2013.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to alter, vary and modify the terms and conditions of appointment of Shri Manoj Kumar from time to time, during the tenure of his appointment as Whole-time Director of the Company including salary, commission and perquisites subject to the compliance of the applicable provisions of the Companies Act, 2013.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to settle any questions, doubts or difficulties and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution without being required to seek further approval of the members and the approval of the members shall be deemed to have been given thereto expressly by the authority of this resolution.”

9. To consider Re-appointment of Shri Rohit Gyanchandani (DIN: 00049486) as Whole-time Director and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution**:

"**RESOLVED THAT** pursuant to provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of Shri Rohit Gyanchandani (DIN:00049486) as Whole-time Director designated as Executive Director of the company to look after International Business, Hygiene care Business and Dish wash segment of the Company, for a period of three years with effect from 1st October, 2019 on the following terms and conditions:-

A) SALARY:

Rs. 75,00,000/- (Rupees Seventy Five Lacs only) per month with such annual increment as the Board of Directors may approve subject to payment of maximum salary up to Rs. 90,00,000/- (Rupees Ninety Lacs only) per month.

B) COMMISSION:

The Whole-time Director shall be entitled to Commission @1% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013 and payable based upon the quarterly/ half yearly/ annual financial performance of the Company.

C) PERQUISITES:

In addition to the Salary and Commission as above, the Whole-time Director shall be entitled to the following perquisites:

PART-A

(i) Housing – The Whole-time Director shall be entitled to furnished accommodation or House Rent Allowance in lieu thereof, together with reimbursement of expenses for utilisation of gas, electricity, water and maintenance.

(ii) Medical Reimbursement – Reimbursement of actual medical expenses incurred in India and /or abroad including hospitalization, medicine and surgical charges for himself and family. In case of any medical treatment abroad, the travelling, boarding and lodging expenses for the *patient* and attendant are also payable. An appropriate Medical Insurance policy may also be taken for Whole-time Director and his family by the Company.

(iii) Leave Travel Concession – Reimbursement of all the expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred for self and family once in a year , wherever undertaken, whether in India or abroad. The entitlement for one year to the extent not availed shall be allowed to be accumulated up to next two years.

(iv) Entertainment expenses and other business expenses – Reimbursement of entertainment, travelling including foreign travel and all other expenses if any, actually and properly incurred for the business of the Company.

(v) Club fee: Subscription or reimbursement of membership fees for clubs in India and / or abroad, including admission and life membership fees.

(vi) Personal Accident Insurance: An appropriate Personal Accident Insurance policy may also be taken for Whole-time Director and his family by the Company.

(vii) Such other allowances and perquisites as may be approved by the Board.

Explanation:-

"Family" here means the spouse and dependent children of the Whole-time Director.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income-Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

PART –B

(i) Contribution to (a) Provident Fund (b) Superannuation Fund or Annuity fund as per Company's rules. These will not be included in the computation of the ceiling on perquisites ,if any, to the extent either singly or put together are not taxable under the Income Tax- Act, 1961.

(ii) Gratuity not exceeding half month's salary for each completed year of service.

(iii) The Whole-time Director shall be entitled to leave with pay for a period not exceeding one month for every eleven months of services besides casual and sick leaves. Leaves accumulated but not availed will be allowed to be encashed.

PART – C

The Company shall provide a car with driver, Mobile and basic telephone at the residence of the Whole-time Director. Use of Company's Car for official purpose, mobile and basic telephone at residence (including payment for local calls and long distance official calls), shall not be included in the computation of perquisites.

"**RESOLVED FURTHER THAT** where in any financial year during the currency of term of Whole-time Director, the Company has no profits or its profits are inadequate, the Company shall pay to Whole-time Director, remuneration by way of Salary, Commission and Perquisites as specified above as minimum remuneration, subject to the compliance of the applicable provisions of the Companies Act, 2013 ."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to alter, vary and modify the terms and conditions of appointment of Shri Rohit Gyanchandani from time to time, during the tenure of his appointment as Whole-time Director of the Company including salary, commission and perquisites subject to the compliance of the applicable provisions of the Companies Act, 2013 ."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to settle any questions, doubts or difficulties and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution without being required to seek further approval of the members and the approval of the members shall be deemed to have been given thereto expressly by the authority of this resolution."

10. To ratify the remuneration of the Cost Auditors for the Financial year ending 31st March, 2020 and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Company hereby ratifies the remuneration of Rs. 6,00,000/- (Rupees Six Lacs) plus applicable goods and service tax for the financial year ended March 31, 2020 to M/s. Jitendra, Navneet & Co., Cost Accountants (Firm Registration No. 000119), Delhi, who were appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the Financial Year 2019-20.**"**

By Order of the Board
For **RSPL LIMITED**

Place: Gurugram
Date: 28th September, 2019

(S. K. BAJPAI)
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HER SELF AND PROXY NEED NOT BE A MEMBER OF COMPANY**.

   Proxy in order to be effective must be deposited at the Registered Office of the Company not less than Forty-eight hours before commencement of the meeting.

2. A Person can act as Proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total Share Capital of the Company carrying voting rights. A Member holding more than ten percent of the total Share Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

3. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Businesses under Item Nos. 6 and 7 as set out above is annexed hereto.

4. Members are requested to bring their attendance slip along with their copy of Annual Report at the Meeting.

5. The details of Directors seeking appointment under Item Nos. 3 and 4 of the accompanying notice are given in the Statement as hereunder:

BRIEF PROFILE OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT

Particulars	**Manoj Kumar**	**Rohit Gyanchandani**
DIN	00049387	00049486
Date of Birth	22-10-1972	10-04-1984
Qualifications	Graduate	M.B.A
Experience	22 Years	14 Years
Date of Appointment on the Board	11/03/2008	04/02/2005
Expertise in specific functional area	Marketing, Advertisement and Media functions of the Company.	International Business, Hygiene Care Business and Dish wash segment of the Company.
Chairman / Director of other Companies	1. Nimmi Build Tech Private Limited 2. NIF Private Limited 3. Leayan Global Private Limited 4. Namaste India Microfinance Private Limited 5. RSPL Health Private Limited 6. Contluxi International Private Limited	1. Nimmi Build Tech Private Limited 2. NIF Private Limited 3. Leayan Global Private Limited 4. Namaste India Microfinance Private Limited 5. RSPL Health Private Limited 6. Contluxi International Private Limited 7. Manoj Developers and Infrastructure Pvt. Ltd. 8. Rahul Realaters And Developers Pvt. Ltd 9. Rohit Real Estate Pvt. Ltd.
Chairman / Member of Committee of the Board of other Companies of which he is a Director	**Corporate Social Responsibility Committee** 1. Leayan Global Private Limited (Chairman) 2. NIF Private Limited (Chairman)	**Corporate Social Responsibility Committee** 1. Leayan Global Private Limited (Member) 2. RSPL Health Private Limited (Member)
Shareholding of Director in the Company	66,05,000 shares of Rs 10/- each (15%)	66,05,000 shares of Rs 10/- each (15%)
Relationship with other Director(s).	Murli Dhar Gyanchandani **(Father)** Manoj Kumar Gyanchandani **(Brother)**	Bimal Kumar Gyanchandani **(Father)**
No. of Meetings of the Board attended during the year	07	07

ANNEXURE TO NOTICE

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5 to 9:

The Members at the Annual General Meeting of the Company held on 30th September, 2016, appointed Shri Murlidhar Gyanchandani, Shri Bimal Kumar Gyanchandani as Managing Directors, Shri Rahul Gyanchandani as Joint Managing Director and Shri Manoj Kumar Gyanchandani and Shri Rohit Gyanchandani as Whole-time Directors of the Company for a period of three years with effect from 1st October, 2016 under the extant provisions of the Companies Act, 2013. Considering the experience and invaluable contribution made by all the Managerial Personnel as reflected in the phenomenal growth of the Company, the Board of Directors of the Company at its meeting held on 28th September 2019, re-appointed Shri Murlidhar Gyanchandani as Executive Chairman, Shri Bimal Kumar Gyanchandani as Managing Director, Shri Rahul Gyanchandani, Joint Managing Director, Shri Manoj Kumar and Shri Rohit Gyanchandani as Whole-time Directors of the Company, for further period of three years w.e.f. 1st October, 2019. The terms and conditions of their re-appointment are in accordance with the provisions of the Companies Act, 2013 and Schedule V thereto read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and have been approved by the Board as per the recommendations of the Nomination and Remuneration Committee of the Board.

Section 196 of the Companies Act, 2013, inter-alia, provides that no Company shall appoint a person who has attained the age of 70 years, as Managing Director, Whole-time Director or Manager unless his appointment is approved by a special resolution. Part-I of Schedule V to the Act contains a similar provision. As Shri Murlidhar Gyanchandani has attained the age of seventy years, it is intended to seek approval of the Members by way of special resolution, for continuance of his appointment as Executive Chairman in compliance with the relevant provisions of the Act.

All the aforesaid Appointees satisfy the conditions set out in Part-I of Schedule V to the Act and are not disqualified under sub-section (3) of Section 196 read with Section 164 of the Act for being appointed as such.

The Board recommends the Special Resolution set out at Item Nos. 5 to 9 of the Notice for approval by the Members.

Statement pursuant to Section II of Part II of Schedule V of the Companies Act, 2013

I. **General Information**

1.	Nature of Industry	Manufacturing of Soap and Detergent Powder			
2.	Date or expected date of commencement of commercial production	The company is already in operation			
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable			
4.	Financial performance based on given indicators	Particulars	Financial Years (Rs. in crores)		
			2018-19	2017-18	2016-17
		Total Revenue	4563.82	4559.22	4575.40
		Profit after Tax	252.26	269.31	306.12
5.	Foreign investment or collaborations, If any	Nil			

II. Information about the Appointees

Name	Background details / recognition awards	Past Remuneration	Proposed Remuneration	Job Profile and his suitability	Comparative Remuneration	Pecuniary and other relationship with managerial personnel
Shri Murlidhar Gyanchandani	Shri Murlidhar Gyanchandani, founder has more than 41 years experience in Soap and Detergent Industry. Under his guidance and apt leadership skills, the Company has undertaken massive expansion and diversification plans as reflected in manifold increase in revenue, profitability and sustained growth prospects.	**Salary:** 90,00,000/- p.m. **Commission:** @1% of Net profits of the Company.	**Salary:** Rs. 90,00,000/- p.m. with such annual increment as the Board may approve subject to payment of maximum salary up to Rs.1,00,00,000/- per month. **Commission:** @1% of Net profits of the Company.	The Managerial experience and past performance makes him most suitable for the position of Executive Chairman to exercise powers day to day management of affairs of the Company.	Remuneration is commensurate and benchmarked with similar size of Company and the prevailing Industry trends	Besides the remuneration proposed herein, Shri Murlidhar Gyanchandani does not have, directly or indirectly any material pecuniary relationship with the company or any key managerial personnel.
Shri Bimal Kumar Gyanchandani	Shri Bimal Kumar Gyanchandani, founder has more than 36 years experience in Soap and Detergent Industry. Under his guidance and apt leadership skills, the Company has undertaken massive expansion and diversification plans as reflected in manifold increase in revenue, profitability and sustained growth prospects.	**Salary:** 90,00,000/- p.m. **Commission:** @1% of Net profits of the Company.	**Salary:** Rs. 90,00,000/- p.m. with such annual increment as the Board may approve subject to payment of maximum salary up to Rs.1,00,00,000/- per month. **Commission:** @1% of Net profits of the Company.	The Managerial experience and past performance makes him most suitable for the position of Managing Director to exercise powers day to day management of affairs of the Company.	Remuneration is commensurate and benchmarked with similar size of Company and the prevailing Industry trends.	Besides the remuneration proposed herein, Shri Bimal Kumar Gyanchandani does not have, directly or indirectly any material pecuniary relationship with the company or any key managerial personnel.

Name	Background details / recognition awards	Past Remuneration	Proposed Remuneration	Job Profile and his suitability	Comparative Remuneration	Pecuniary and other relationship with managerial personnel
Shri Rahul Gyanchandani	Shri Rahul Gyanchandani is a Commerce Graduate and has more than 15 years experience in Soaps and Detergent Industry.	**Salary:** 75,00,000/- p.m. **Commission:** @1% of Net profits of the Company.	**Salary:** Rs. 75,00,000/- p.m. with such annual increment as the Board may approve subject to payment of maximum salary up to Rs.90,00,000/- per month. **Commission:** @1% of Net profits of the Company.	The Managerial experience and past performance makes him most suitable for the position of Joint Managing Director. He is primarily responsible for looking after Operations and Planning Functions of Soad and Detergent division, Soda Ash project and Finance functions of the Company.	Remuneration is commensurate and benchmarked with similar size of Company and the prevailing Industry trends.	Besides the remuneration proposed herein, Shri Rahul Gyanchandani does not have , directly or indirectly any material pecuniary relationship with the company or any key managerial personnel.
Shri Manoj Kumar	Shri Manoj Kumar is a Commerce Graduate and has more than 23 years experience in Soaps and Detergent Industry .	**Salary:** 75,00,000/- p.m **Commission:** @1% of Net profits of the Company.	**Salary:** Rs. 75,00,000/- p.m. with such annual increment as the Board may approve subject to payment of maximum salary up to Rs.90,00,000/- per month. **Commission:** @1% of Net profits of the Company.	The Managerial experience and past performance makes him most suitable for the position of Whole-time Director. He is primarily responsible for looking after Marketing, Advertisement and Media Functions of the Company.	Remuneration is commensurate and benchmarked with similar size of Company and the prevailing Industry trends.	Besides the remuneration proposed herein , Shri Manoj Kumar does not have , directly or indirectly any material pecuniary relationship with the company or any key managerial personnel.
Shri Rohit Gyanchandani	Shri Rohit Gyanchandani is a MBA and has more than 14 years experience in Soaps and Detergent Industry .	**Salary:** 75,00,000/- p.m **Commission:** @1% of Net profits of the Company.	**Salary:** Rs. 75,00,000/- p.m. with such annual increment as the Board may approve subject to payment of maximum salary up to Rs. 90,00,000/- per month. **Commission:** @1% of Net profits of the Company.	The Managerial experience and past performance makes him most suitable for the position of Whole-time Director. He is primarily responsible for looking after International Business, Hygiene care business and Dish wash segment of the Company.	Remuneration is commensurate and benchmarked with similar size of Company and the prevailing Industry trends.	Besides the remuneration proposed herein, Shri Rohit Gyanchandani does not have , directly or indirectly any material pecuniary relationship with the company or any key managerial personnel.

The Board is of the opinion that the aforesaid appointees have requisite qualifications, expertise and experience which would be reflected in the improved financial and operational performance of the Company.

III. Other information

(i) Reasons for Loss or inadequate Profits:

The Company has earned Net Profit of Rs. 37375.64 Lacs (calculated in accordance with the provisions of Section 198 of the Companies Act,2013) for the financial year ended 31st March, 2019 and the remuneration presently being paid is in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Schedule V thereto.

(ii) Steps taken or proposed to be taken for improvement:

Cost control, productivity improvement, new products and market development initiatives are in place to improve profitability.

(iii) Expected increase in productivity and Profits in measurable terms:

Shri Murlidhar Gyanchandani, Executive Chairman Shri Bimal Kumar Gyanchandani, Managing Director, Shri Rahul Gyanchandani, Joint Managing Director, Shri Manoj Kumar Gyanchandani and Shri Rohit Gyanchandani, Whole Time Directors have made their invaluable contribution as reflected in manifold increase in revenue and profitability and sustained growth of the Company. The Company expects to improve its performance and achieve new milestones in times ahead.

(IV) DISCLOSURES:

The Shareholders of the Company are duly informed of the remuneration package of Managerial personnel.

Shri Murlidhar Gyanchandani, Executive Chairman, Shri Bimal Kumar Gyanchandani, Managing Director, Shri Rahul Gyanchandani, Joint Managing Director, Shri Manoj Kumar Gyanchandani and Shri Rohit Gyanchandani, Whole Time Directors of the Company besides being relatives are interested in the resolutions concerning their respective appointments. No other Director or Key Managerial Personnel or their relatives are interested financially or otherwise in the resolutions.

The Resolutions alongwith the accompanying Explanatory Statement may be treated as memorandum of terms of appointment within the meaning of Section 190 of the Companies Act 2013.

Item No. 10

The Board of Directors of the Company at its Meeting held on 9th September, 2019 appointed M/s. Jitendra, Navneet & Co., Cost Accountants (Firm Registration No. 000119) to conduct the audit of the Cost records of the Company's Soap & Detergent Divisions situated at the Registered Office of the Company for the Financial year ending 31st March, 2020 at a remuneration of Rs. 6,00,000/- plus taxes at applicable rates and reimbursement of out of pocket expenses incurred by them in connection with the cost audit. In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors requires ratification by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the Financial Year ending 31st March, 2020 as set out in the resolution. The Board recommends the resolution for your approval.

None of the Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise in the resolution set out at Item No. 10 of the Notice.

By Order of the Board
For **RSPL LIMITED**

Place: Kanpur
Date: 28th September, 2019

(S. K. BAJPAI)
Company Secretary

ROUTE MAP


गोल्डन पैलेस
Bank of Baroda
Regional Office
बैंक ऑफ़ बड़ौदा
Mariyampur Hospital
मरियमपुर अस्पताल
OM NAGAR
ओम नगर
RSPL Limited
Kamla Club
कमला क्लब
Sant Nirankari Bhawan
संत निरंकारी भवन
FAZALGANJ
फ़ज़लगंज
Lord William Bentinck Ln

RSPL
EVOLUTION IS CONSTANT

DIRECTORS' REPORT

To

The Members of

RSPL LIMITED

Your Directors have pleasure in presenting herewith the Thirty First Annual Report along with Audited Financial Statement of the Company for the year ended 31st March, 2019.

1. **Financial Results:**

The summarized financial position of the Company for the financial year ended 31st March, 2019, as compared to previous year is as under:

(Rs. In Crores)

Particulars	**For the year ended 31st March 2019**	For the year ended 31st March 2018	**For the year ended 31st March 2019**	For the year ended 31st March 2018
	STANDALONE		**CONSOLIDATED**	
Revenue from Operations (Net)	4,519.54	4,479.68	4,680.91	4,598.58
Other Income	44.28	79.54	43.90	78.38
Total Revenue	**4,563.82**	**4,559.22**	**4,724.81**	**4,676.96**
Profit Before Depreciation, Interest, Tax (PBDIT)	**550.34**	**530.85**	**566.58**	**535.58**
Less: Depreciation & Amortization Expenses	97.68	81.65	98.86	82.97
Less: Financial Cost	78.21	55.43	79.89	57.35
Profit before Tax (PBT)	**374.45**	**393.77**	**387.83**	**395.26**
Less Tax Expenses:				
Current Tax	83.57	104.54	87.85	106.99
Tax related to earlier periods	-	(4.90)	(0.08)	(4.88)
Deferred Tax	38.61	24.82	38.09	25.48
Profit for the year	**252.26**	**269.31**	**261.98**	**267.67**

2. **Review of Business Operations and Future Prospects:**

During the Financial Year 2018-19 under review, the Company has recorded revenue from operations (net) of Rs. 4519.54 Crores as against revenue from operations (net) of Rs. 4479.68 Crores during the preceding Financial Year 2017-18. The Company achieved Net Profit of Rs. 252.26 Crores in the current year as against Net Profit of Rs. 269.31 Crores in the preceding year.

Your directors are pleased to inform you that the Company has successfully commenced business operations of its Soda Ash Project during the year.

3. **Dividend:**

The Board of Directors of the Company have declared 1 (One) Interim Dividend of Rs. 5/- per share each at its Meetings held on 8th March, 2019 on 4,40,32,500 Equity Shares of the face value of Rs. 10/- each absorbing a total sum of Rs. 22,01,62,500. It is proposed to confirm the payment of Interim Dividend as final dividend at the ensuing Annual General Meeting of the Company.

4. **Transfer of Reserve**

Your directors do not propose to transfer any amount to General Reserve for the year ended 31st March 2019.

5. **Investor Education and Protection Fund:**

   There were no amounts which were required to be transferred to **Investor Education and Protection Fund in the Current Year 2018-2019.**

6. **Non-convertible Debentures:**

   Non-Convertible Debentures of the Company are listed on National Stock Exchange of India Limited on 27th October, 2016. The Company was awarded the financial credit rating of AA-/stable by ICRA vide letter dated 12th February, 2019 and was re-affirmed the financial credit rating of AA-/Positive vide letter dated 27th December, 2018 by CRISIL on its NCDs.

7. **Consolidated Financial Statement:**

   In accordance with the provisions Section 129(3) of the Companies Act, 2013, the Company is required to prepare Consolidated Financial Statements of its Associate(s) / Subsidiary(ies) to be laid before Annual General Meeting of the Company, accordingly, the Consolidated Financial Statement incorporating the Accounts of Subsidiary Company(ies) along with the Auditors' Report thereon forms part of this Annual Report.

   The Consolidated Net Profit of the Company amounted to Rs. 261.98 crores as compared to Net Profit of Rs. 267.67 crores in the previous year.

8. **Subsidiary Company, Joint Ventures And Associate Companies:**

   The Company does not have any Joint Venture or Associate Companies within the meaning of Section 2(6) of the Companies Act, 2013. However, RSPL Health Private Limited and RSPL Health BD Limited continued to be Wholly owned and Step down Subsidiaries respectively, of your Company during the financial year. There has been no material change in the nature of the business of the Subsidiaries during the year under review. The summary of performance of the Subsidiaries is provided below:

   i) **RSPL Health Private Limited**

      RSPL Health Private Limited is engaged in the business of consumer products, particularly home and fabric care products. It was incorporated in the year 2011. It became the wholly owned subsidiary of the Company in April, 2013. The Company has recorded growth in turnover of Rs. 1306.52 Lacs in the current year as compared to turnover of Rs. 1,033.75 Lacs in the previous year. Profit for the year also increased to Rs. 799.52 Lacs as compared to Rs. 596.25 Lacs in the previous year. The contribution in Turnover and Profit as per the Consolidated Financial Statements of the Company was 0.28% and 3.05% respectively.

   ii) **RSPL Health BD Limited**

      RSPL Health BD Limited incorporated in the year 2013 became a step down subsidiary of the Company in the same year. It is engaged in the business of manufacturing soaps and detergent in Bangladesh. The Company has recorded a growth rate of 35.16% in Turnover. The Company has recorded profit of Rs. 186.05 Lacs during the current year as against loss of Rs. 805.17 Lacs in the previous year. The contribution in turnover and Profit as per the Consolidated Financial Statements of the Company is 3.54 and 0.71 % respectively.

      A Statement pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with Rules framed thereunder in the prescribed Form AOC-1 showing financial highlights of the Subsidiary Companies is enclosed herewith marked as **Annexure-'I'**.

9. **Statutory Auditors:**

   In terms of the provisions of Section 139 of the Companies Act, 2013, read with provisions of the Companies (Audit and Auditors) Rules, 2014 as amended, M/s. S.R. Batliboi & Co. LLP., Chartered Accountants (Firm Registration No. 301003E/ E300005) was appointed as the Auditors of the Company for a consecutive period of five years from conclusion of the 29th AGM held on September 30, 2017 until conclusion of the 34th AGM of your Company scheduled to be held in the year 2022.

   The Members may note that consequent to the changes made in the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 by the Ministry of Corporate Affairs (MCA) vide notification dated 7 May 2018, the proviso to Section 139(1) of the Companies Act, 2013 read with explanation to sub-rule 7 of Rule 3 of the Companies (Audit and Auditors) Rules, 2014, the requirement of ratification of appointment of Auditors by the Members at every AGM has been done away with.

10. **Secretarial Audit:**

   The Board of Directors of the Company has appointed. M/s. S. K. Gupta & Co., Company Secretaries, to conduct

Secretarial Audit of the Company for the Financial Year 2018-19. The Secretarial Audit Report for the financial year ended 31st March, 2019 is enclosed as 'Annexure – II' and forms an integral part of this Report.

11. Cost Auditor:

As per Section 148 of the Companies Act, 2013 the Company is required to have the audit of its cost records conducted by a Cost Accountant in Practice. The Board of Directors of the Company has on recommendation of Audit Committee, approved the appointment of M/s.Jitendra, Navneet & Co., Cost Accountant (Firm Regn. No.000119), for conducting the Cost Audit pertaining to relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time for the year ending March 31, 2020.

12. Explanation or Comments on Qualifications, Reservations or Adverse Remarks or Disclaimers Made By the Statutory Auditors and Secretarial Auditors in their Reports:

The Statutory Auditors' observations in their Report read with Notes to Accounts are self-explanatory, however, the Management's explanation in respect of Auditors' comments on certain Notes to the Accounts are as under:-

Explanation on Remarks made by Statutory Auditors in their report

The Statutory auditor have identified some weakness in the internal control with respect to process of review and monitoring of the year end Financial Statement closure process. The Board has taken note of the same and endeavor to make internal control system more stringent and effective steps have already been taken in this regard.

Explanation on Remarks made by Secretarial Auditors in their report

a. There has been delay in filling certain forms and returns under the provision of the Companies Act, 2013, as these have been filed with additional fees. The Company will be more careful in future to timely file the forms and returns as prescribe under the Companies act, 2013.

b. There has been delayed / non-compliance with the provision of Chapter V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of privately placed 9.20% , 2,000 Secured redeemable Non-Convertible Debentures of Rs. 10,00,000/- each aggregating to Rs.200 crores listed on National Stock Exchange of India Limited (NSE). The Company will be more careful in future to timely compliance to the provision of Chapter V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

c. The website of the Company is under upgradation.

13. Number of Meetings of the Board:

The Board of Directors meets periodically to review the strategic, operational and financial matters and has a formal schedule of matters reserved for its decision. The Board of Directors duly met 7 (Seven) times respectively on 29th May, 2019, 14th August, 2018, 25th September, 2018, 17th October, 2018, 28th December, 2018, 7th February, 2019 and 8th March, 2019 during the financial year. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

14. Directors & Key Management Personnel (KMP):

In accordance with the provisions of the Companies Act, 2013 Shri Manoj Kumar (DIN: 00049387) and Shri Rohit Gyanchandani (DIN: 00049486), Directors of the Company shall retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

Also, the Members at the Annual General Meeting of the Company held on 30th September, 2016, appointed Shri Murlidhar Gyanchandani, Shri Bimal Kumar Gyanchandani as Managing Directors, Shri Rahul Gyanchandani as Joint Managing Director and Shri Manoj Kumar Gyanchandani and Shri Rohit Gyanchandani as Whole-time Directors of the Company for a period of three years with effect from 1st October, 2016 under the extant provisions of the Companies Act, 2013. Considering the experience and invaluable contribution made by all the Managerial Personnel as reflected in the phenomenal growth of the Company, the Board of Directors of the Company at its meeting held on 28th September 2019,subject to the approval of shareholders, have re-appointed Shri Murlidhar Gyanchandani as Executive Chairman, Shri Bimal Kumar Gyanchandani as Managing Director, Shri Rahul Gyanchandani, Joint Managing Director, Shri Manoj Kumar Gyanchandani and Shri Rohit Gyanchandani as Whole-time Directors of the Company, for further period of three years w.e.f. 1st October, 2019. The terms and conditions of their re-appointment are in accordance with the provisions of the Companies Act, 2013 and Schedule V thereto read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and have been approved by the Board as per the recommendations of the Nomination and Remuneration Committee of the Board.

15. Declaration of Independent Directors:

The Company has received the Declarations under Section 149(7) of the Companies Act, 2013 from all the Independent Directors of the Company that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

16. Extract of Annual Return:

The extract of Annual Return pursuant to the provisions of Rule 12 of the Companies (Management and Administration) Rules 2014, in prescribed form MGT-9, is furnished as **Annexure – III** to this report.

17. Committees of the Board

In compliance with the provisions of the Companies Act, 2013 read with Rules framed thereunder, the Board of Directors of the Company has constituted the following Committees with the Composition as under:

a. **Audit Committee:**

Shri Rahul Gyanchandani	Jt. Managing Director	Member
Dr. J.N. Gupta	Independent Director	Member
Dr. R. P. Singh	Independent Director	Member

b. **Nomination and Remuneration Committee:**

Dr. R. P. Singh;	Independent Director	Member
Dr. J. N. Gupta and	Independent Director	Member
Mrs. Renuka Gulati	Independent Director	Member

c. **Corporate Social Responsibility Committee:**

Shri Murli Dhar Gyanchandani	Executive Chairman	Chairman
Shri Bimal Kumar Gyanchandani	Managing Director	Member
Smt Renuka Gulati	Independent Director	Member

18. Corporate Social Responsibility

The Company has formulated and adopted a Corporate Social Responsibility Committee indicating therein the CSR activities included in Schedule VII of the Companies Act, 2013. Health, Education and Environment Protection (HSE) are core areas for the Company's overall Corporate Social Responsibility Mission with emphasis on promoting health care, making a contribution for the betterment of lives of the under-privileged persons, senior citizens, orphans, differently abled persons and women and promoting education, supporting rural development, providing sanitation and clean drinking water.

The prescribed information pursuant to Section 135 (4) of the Companies Act, 2013 read with Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 is given in the Statement enclosed herewith as **Annexure-IV** to this Report.

19. Vigil Mechanism:

In compliance with the provisions of sub- section (9) of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Boards and its Power) Rules, 2014, the Company has established a 'Vigil Mechanism' under the aegis of 'Audit Committee' of the Company.

The Vigil Mechanism has been formulated in such a manner so as to provide adequate safeguards against victimization of persons who can also use such mechanism for reporting genuine concerns including any actual or potential violation of the Code, instances of unethical behaviour, actual or suspected fraud, howsoever insignificant or perceived as such. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of employees and the Company.

20. Company's Policy Relating to Directors Appointment, Payment of Remuneration and Discharge of their Duties:

The Board of Directors has framed a Nomination & Remuneration Policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The details of this policy are enclosed herewith as **Annexure-V** to this Report.

21. Particulars of Contracts and Arrangements with Related Parties:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were on arm's length basis. The details of material contracts / arrangements / transactions at arm's length basis for the year ended 31st March, 2019 are given in **Annexure –VI** which forms part of this Report.

22. Particulars of Loans, Guarantees or Investments Made under Section 186 of the Companies Act, 2013:

The Particulars of Loans, Guarantees and Investments made by the Company forms part of the notes to the Financial Statements.

23. Annual Evaluation:

The Independent Directors in their separate meeting had reviewed the performance of Non-Independent Directors, the Board as a whole and the Chairperson of the Company after taking into account the views of Executive Directors and Non-Executive Directors of the Company. Independent Directors have also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board and that the information supplied by the management to the Board was sufficient and relevant for the Board to perform their duties effectively.

24. Risk Management

Your Company has an elaborate Risk Management procedure. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Some of the identified risks relate to competitive intensity and cost volatility. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

25. Internal Control System and its adequacy:

The Company has an Internal Control System and processes in place with respect to Financial Statements which provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements.

The Board has adopted policies and procedures for ensuring orderly and efficient conduct of its business, including adherences to company's policies, the safeguarding of its assets, detection and prevention of frauds, error reporting mechanism, the accuracy and completeness of accounting records, and the timely preparation of reliable financial disclosures.

26. Particulars of Employees

As required under sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of Employees are set out in **Annexure – VII** and form part of this Report.

27. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

(A) Conservation of Energy-

(i) **The steps taken or impact on conservation of energy**: Measures taken for conservation of energy include improved maintenance of operating system and control on consumption of electricity.

(ii) **The steps taken by the company for utilising alternate sources of energy:** The Company uses energy from conventional sources.

(iii) **The capital investment on energy conservation equipments:** Various energy saving equipments and devises have been installed by the Company.

(B) Technology absorption-

(i) **The efforts made towards technology absorption**: The Company uses indigenous technology. Efforts have been made towards improving quality of the products by new research applications.

(ii) **The benefits derived like product improvement, cost reduction, product development or import substitution:** Company has been able to achieve Cost Reduction and improvement in quality of Product.

(iii) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-** : NIL

(iv) **The expenditure incurred on Research and Development**: Rs. 5310982

(C) Foreign exchange Earnings and Outgo- (Amount in Rs. Lacs)

Particulars	2018-19	2017-2018
Earning in Foreign Currency:		
Export at FOB	491.80	416.96
Foreign Exchange Outgo:		
i. Value of Imports on CIF basis	59,329.55	61,908.41
ii. Expenditure in Foreign Currency	962.52	2,753.79

28. Directors' Responsibility Statement:

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

I. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

II. They have selected such accounting policies and applied them consistently and made Judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit of the Company for that period;

III. They have taken proper and sufficient care for the 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 fraud and other irregularities;

IV. They have prepared the Annual Accounts on a going concern basis;

V. They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

29. Deposits:

The Company has not accepted any deposits under Section 73 to 76 of the Companies Act 2013 during the year under review.

30. Compliance with Secretarial Standards:

During the financial year under review, the Company has complied with the applicable Secretarial Standard-1 (Secretarial Standard on Meetings of the Board of Directors) and Secretarial Standard-2 (Secretarial Standard on General Meetings), to the extent applicable, issued by the Institute of Company Secretaries of India

31. General:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

a. No material changes and commitments affecting the financial position of the Company have occurred during the financial year to which this financial statements relate on the date of this report

b. Issue of equity shares with differential rights as to dividend, voting or otherwise.

c. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

d. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

e. Neither the Managing Director nor the Whole-time directors of the Company receive any remuneration or commission from any of its Subsidiary Company.

f. Your Directors further state that during the year under review, there was no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

32. Acknowledgements:

Your Directors place on record their sincere thanks to Bankers, Business constituents, Consultants, and various Government Authorities and other stakeholders for their continued support extended to the Company during the year under review. Your Directors place on record the dedicated services rendered by all the employees at all levels and also acknowledges the trust and confidence reposed by the Shareholders in the management of the Company..

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(MURLI DHAR GYANCHANDANI)
Executive Chairman
DIN – 00049298

Place: Gurugram
Date: 28/09/2019

ANNEXURE- I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries / Associate Companies / Joint Ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. Lakhs)

Sl. No.	Particulars	Details	
1.	Name of the subsidiary	RSPL Health Pvt. Ltd.	RSPL Health BD Ltd.
2.	Date since when subsidiary was acquired	01/04/2013	27/08/2013
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.
4.	Start Date of Reporting Period	1st April, 2018	1st April, 2018
5.	End Date of Reporting Period	31st March, 2019	31st March, 2019
6.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	Reporting Currency: Bangladesh Taka Exchange Rate: 1 Tk. = 0.7846Rs.
7.	Share Capital	3915.52	4136.26
8.	Reserves & Surplus	162.44	(3201.27)
9.	Total Assets	5285.19	5759.45
10.	Total Liabilities	1207.23	4824.46
11.	Investments	4136.25	NIL
12.	Turnover	1306.52	16572.20
13.	Profit before taxation	1117.79	234.39
14.	Provision for taxation (Deferred Tax)	(1.08)	(51.57)
15.	Profit after taxation	798.98	186.05
16.	Proposed Dividend	NIL	NIL
17.	% of shareholding	100%	100%

Part "B": Associates and Joint Ventures: N.A.

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	**Name 1**	**Name 2**	**Name 3**
1. Latest audited Balance Sheet Date	N.A.	N.A.	N.A.
2. Date on which Associate or Joint Venture was associated or acquired	N.A.	N.A.	N.A.
Shares of Associate/Joint Ventures held by the company on the year end	N.A.	N.A.	N.A.
No.	N.A.	N.A.	N.A.
Amount of Investment in Associates/Joint Venture	N.A.	N.A.	N.A.
Extend of Holding%	N.A.	N.A.	N.A.
3. Description of how there is significant influence	N.A.	N.A.	N.A.
4. Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.
5. Net worth attributable to shareholding as per latest audited Balance Sheet	N.A.	N.A.	N.A.
6. Profit/Loss for the year	N.A.	N.A.	N.A.
i. Considered in Consolidation	N.A.	N.A.	N.A.
ii. Not Considered in Consolidation	N.A.	N.A.	N.A.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(MURLI DHAR GYANCHANDANI)
Executive Chairman
DIN – 00049298

Place: Gurugram
Date: 28/09/2019

ANNEXURE II

SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,

RSPL LIMITED
119-121 (Part), Block P&T,
Fazal Ganj,
Kanpur - 208012 (U.P.)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RSPL LIMITED** (CIN: U15111UP1988PLC009771) (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the financial year ended on 31st March, 2019 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019, according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder to the extent of their applicability to listed privately placed 9.20%, 2,000 Secured Redeemable Non-Convertible Debentures of Rs. 10,00,000/- each aggregating to Rs. 200 Crores;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder *to* the extent of their applicability to listed privately placed 9.20%, 2,000 Secured Redeemable Non-Convertible Debentures of Rs. 10,00,000/- each aggregating to Rs. 200 Crores;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of their applicability to External Commercial Borrowings raised by the Company. The Company has not entered into any transaction involving Foreign Direct Investment and Overseas Direct Investment during the Audit Period;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not applicable to the Company)**;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **(Not applicable to the Company)**;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company)**;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company)**;

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable as the Company has not issued and listed any debt securities during the Audit Period)**;

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not applicable as the Company is not registered as Registrar to issue and Share Transfer Agent during the Audit period)**;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company)**; and

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company).**

We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant docume3nts and records in pursuance thereof, on test-check basis and representation made by the Company and its officers, the Company has complied with the following laws applicable specifically to the Company :

(a) Drugs and Cosmetics Act, 1940 and the Rules made thereunder;

(b) The Legal Metrology Act, 2009;

(c) The Legal Metrology (Packaged Commodities) Rules, 2011

We have also examined compliance with the applicable clauses of the following:

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

(ii) The Listing Agreement entered into by the Company with the National Stock Exchange of India Limited (NSE) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of privately placed 9.20%, 2,000 Secured Redeemable Non-Convertible Debentures of Rs. 10,00,000/- each aggregating to Rs. 200 Crores.

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

(i) *There has been delay in filing of certain Forms and Returns under the provisions of the Companies Act, 2013 and rules made thereunder entailing payment of additional fee.*

(ii) *There has been delayed / non- compliance with the provisions of Chapter V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of privately placed 9.20%, 2,000 Secured Redeemable Non-Convertible Debentures of Rs. 10,00,000/- each aggregating to Rs. 200 Crores listed on National Stock Exchange of India Limited (NSE) .*

(iii) *The website of the company requires updation with regard to disclosure requirements as per the provisions of the Companies Act,2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There had been no changes in the composition of the Board of Directors of the Company during the period under review. Adequate notice is given to all Directors to schedule the Board Meetings along with agenda in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that based on the information provided by the Company, its officers and authorised representatives during the conduct of Audit and review of periodical Compliance Reports taken on record by the Board of Directors of the Company, in our opinion existing systems and processes in the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines needs to be strengthened to commensurate with the size and operations of the Company.

We further report that during the Audit Period there were following specific events / actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards etc.:-

(a) The Members at the Annual General Meeting of the Company held on 29th September, 2018 passed a Special Resolution under Section 13 of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 for alteration of Main Objects Clause III of the Memorandum of Association of the Company so as to enable the Company to undertake and commence the beverage business.

(b) The Company made investment in 42,00,000 Equity Shares Rs. 10/- each of RSPL Health Private Limited, a Wholly-owned Subsidiary of the Company.

For **S.K.Gupta & Co.**
Company Secretaries

(S.K.GUPTA)
Managing Partner
F.C.S -2589
CP-1920

Place: Kanpur
Date: 28.09.2019

Note: This Report to be read with our letter of even date which is marked as **Annexure** and forms an integral part of this Report.

ANNEXURE

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,

RSPL Limited
(CIN: U15111UP1988PLC009771)
119-121 (Part), Block P&T,
Fazal Ganj,
Kanpur- 208012 (U.P.)

Our Secretarial Audit Report for the Financial year 31st March, 2019 is to be read along with this letter

Management's Responsibility

1. It is the responsibility of the Management of the Company to maintain Secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these Secretarial records, Standards and procedures followed by the Company with respect to Secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.

For **S.K.Gupta & Co.**
Company Secretaries

(S.K. GUPTA)
Managing Partner
F.C.S -2589
C P-1920

Place: Kanpur
Date: 28.09.2019

Annexure III

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH, 2019
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U15111UP1988PLC009771
ii.	Registration Date	22-06-1988
iii.	Name of the Company	RSPL LIMITED
iv.	Category/Sub-Category of the Company	PUBLIC LIMITED COMPANY / LIMITED BY SHARES
v.	Address of the Registered office and contact details	119-121 (Part), Block P & T Fazal Ganj, Kanpur-208012 (U.P.) Phone: 0512-2221201-05 Email ID: secretarial@rsplgroup.com
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Detergent Soap	20231	26.93%
2.	Detergent Powder	20233	68.78%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1.	RSPL Health Pvt. Ltd.	U36912DL2011PTC347104	Wholly owned Subsidiary	100%	2(87)(ii)
2.	RSPL Health BD Ltd	-	Step down Subsidiary	100%	2(87)(ii)

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

i. Category-wise Shareholding

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**Promoter**									
1)	**Indian**									
a)	Individual/ HUF	NIL	44032500	44032500	100%	NIL	44032500	44032500	100%	NIL
b)	Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c)	State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d)	Bodies Corp	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d)	Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f)	Any Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total(A)(1):-		**NIL**	**44032500**	**44032500**	**100%**	**NIL**	**44032500**	**44032500**	**100%**	**NIL**
2)	**Foreign**									
g)	NRIs-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h)	Other-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i)	Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a)	Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b)	Any Other….	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total(A)(2):-		**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B.	**Public Shareholding**									
1.	**Institutions**									
a)	Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b)	Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c)	Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d)	State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e)	Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f)	Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g)	FIIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h)	Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i)	Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total(B)(1)		**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
2.	**Non Institutions**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
a)	Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(i)	Indian									
(ii)	Overseas									
b)	Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh									
(ii)	Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c)	Others(Specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total(B)(2)		**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
Total Public		**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
Shareholding (B)=(B)(1)+(B)(2)		**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
C.	**Shares held by Custodian for GDRs & ADRs**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
Grand Total (A+B+C)		**NIL**	**44032500**	**44032500**	**100%**	**NIL**	**44032500**	**44032500**	**NIL**	**NIL**

ii. Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
	Shri Murli Dhar Gyanchandani	11610000	26.37	NIL	11610000	26.37	NIL	NIL
	Shri Bimal Kumar Gyanchandani	11008000	25.00	NIL	11008000	25.00	NIL	NIL
	Shri Manoj Kumar Gyanchandani	6605000	15.00	NIL	6605000	15.00	NIL	NIL
	Shri Rahul Gyanchandani	6605000	15.00	NIL	6605000	15.00	NIL	NIL
	Shri Rohit Gyanchandani	6605000	15.00	NIL	6605000	15.00	NIL	NIL
	Smt. Kamla Devi Gyanchandani	1318500	2.99	NIL	1318500	2.99	NIL	NIL
	Smt. Rajani Gyanchandani	281000	0.64	NIL	281000	0.64	NIL	NIL
	TOTAL	**44032500**	**100.00**	**NIL**	**44032500**	**100.00**	**NIL**	**NIL**

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

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	44032500	100	44032500	100
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	**44032500**	**100**	**44032500**	**100**

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	**NIL**	**NIL**	**NIL**	**NIL**
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	**NIL**	**NIL**	**NIL**	**NIL**
	At the End of the year (or on the date of separation, if separated during the year)	**NIL**	**NIL**	**NIL**	**NIL**

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the company**
A	**Directors**				
1.	**Shri Murli Dhar Gyanchandani, Executive Chairman**				
	At the beginning of the year	**11610000**	**26.37**	**11610000**	**26.37**
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	**NIL**	**NIL**	**NIL**	**NIL**
	At the End of the year	**11610000**	**26.37**	**11610000**	**26.37**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the company**
2.	**Shri Bimal Kumar Gyanchandani, Managing Director**				
	At the beginning of the Year	**11008000**	**25.00**	**11008000**	**25.00**
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	**NIL**	**NIL**	**NIL**	**NIL**
	At the End of the year	**11008000**	**25.00**	**11008000**	**25.00**
3.	**Shri Rahul Gyanchandani, Joint Managing Director**				
	At the beginning of the year	**6605000**	**15.00**	**6605000**	**15.00**
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	**NIL**	**NIL**	**NIL**	**NIL**
	At the End of the year	**6605000**	**15.00**	**6605000**	**15.00**
4.	**Shri Manoj Kumar Gyanchandani, Whole-time Director**				
	At the beginning of the Year	**6605000**	**15.00**	**6605000**	**15.00**
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	**NIL**	**NIL**	**NIL**	**NIL**
	At the End of the year	**6605000**	**15.00**	**6605000**	**15.00**
5.	**Shri Rohit Gyanchandani, Whole-time Director**				
	At the beginning of the Year	**6605000**	**15.00**	**6605000**	**15.00**
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	**NIL**	**NIL**	**NIL**	**NIL**
	At the End of the year	**6605000**	**15.00**	**6605000**	**15.00**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the company**
6.	**Shri Naresh Kumar Phoolwani, Whole-time Director**				
	At the beginning of the Year	**NIL**	**NIL**	**NIL**	**NIL**
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	**NIL**	**NIL**	**NIL**	**NIL**
	At the End of the year	**NIL**	**NIL**	**NIL**	**NIL**
7.	**Dr. Rajinder Pal Singh, Director**				
	At the beginning of the year	**NIL**	**NIL**	**NIL**	**NIL**
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	**NIL**	**NIL**	**NIL**	**NIL**
	At the End of the year	**NIL**	**NIL**	**NIL**	**NIL**
8.	**Dr. Jagannath Nath Gupta, Director**				
	At the beginning of the year	**NIL**	**NIL**	**NIL**	**NIL**
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	**NIL**	**NIL**	**NIL**	**NIL**
	At the End of the year	**NIL**	**NIL**	**NIL**	**NIL**
9.	**Mrs. Renuka Gulati, Director**				
	At the beginning of the year	**NIL**	**NIL**	**NIL**	**NIL**
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	**NIL**	**NIL**	**NIL**	**NIL**
	At the End of the year	**NIL**	**NIL**	**NIL**	**NIL**
B . Key Managerial Personnel					
1.	**Shri. Sushil Kumar Bajpai, Company Secretary and CFO**				
	At the beginning of the year	**NIL**	**NIL**	**NIL**	**NIL**
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	**NIL**	**NIL**	**NIL**	**NIL**
	At the End of the year	**NIL**	**NIL**	**NIL**	**NIL**

IV. INDEBTEDNESS

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

(Amount Rs. in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Rs. 214,851.65	Rs. 10,351.28	NIL	Rs. 225,202.93
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	Rs. 1,709.22	Rs. 15.10	NIL	Rs. 1,724.32
Total (i+ii+iii)	Rs. 216,560.87	Rs. 10,366.38	NIL	Rs. 226,927.25
Change in Indebtedness during the financial year				
- Addition	Rs.85,862.67	Rs. 13,214.15	NIL	Rs. 99,076.82
- Reduction	Rs. 28,040.89	NIL	NIL	Rs. 28,040.89
Net Change	Rs. 57,821.78	Rs. 13,213.47	NIL	Rs. 71,035.93
Indebtedness at the end of the financial year				
i) Principal Amount	Rs. 272,673.43	Rs. 23,565.43	NIL	Rs. 296,238.86
ii) Interest due but not paid	NIL	NIL	NIL	Nil
iii) Interest accrued but not due	Rs. 2,037.20	NIL	NIL	Rs. 2,037.20
Total (i+ii+iii)	**Rs. 274,710.63**	**Rs. 23,565.43**	**NIL**	**Rs. 298,276.06**

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(Amount Rs. in Lacs)

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

Sl. No.	Particulars of Remuneration	Shri Murlidhar Gyanchandani (Managing Director)	Shri Bimal Kumar Gyanchandani (Managing Director)	Shri Rahul Gyanchandani (Joint Managing Director)	Shri Manoj Kumar Gyanchandani (Whole-time Director)	Shri Rohit Gyanchandani (Whole-time Director)	Sh. Naresh Kumar Phoolwani (Whole-time Director)	Total Amount
1.	Gross salary							
	(a)Salary as per provisions contained in section17 (1) of the Income-tax Act, 1961	**1,080.00**	**1,080.00**	**900.00**	**900.00**	**900.00**	**4.61**	**4,864.61**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
	(c) Profits in lieu of salary under section 17 (3) Income- tax Act, 1961	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
2.	Stock Option	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
3.	Sweat Equity	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
4.	Commission - as % of profit - others, %age of Turnover	**448.39** **NIL**	**448.39** **NIL**	**448.39** **NIL**	**448.39** **NIL**	**448.39** **NIL**	**NIL** **NIL**	**2,241.95** **NIL**
5.	Others, please specify	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
	Total (A)	**1,528.39**	**1,528.39**	**1,348.39**	**1,348.39**	**1,348.39**	**4.61**	**7,106.56**
	Ceiling as per the Act	Rs. 4483.93 Lacs						

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount (In Lacs)
		Dr. R. P. Singh	Dr. J. N. Gupta	Smt. Renuka Gulati	
1.	Independent Directors				
	·Fee for attending board committee meetings	2.40	1.80	3.00	7.20
	·Commission	NIL	NIL	NIL	NIL
	·Others, please specify	NIL	NIL	NIL	NIL
	Total(1)	NIL	NIL	NIL	NIL
2.	Other Non-Executive Directors				
	·Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	·Commission	NIL	NIL	NIL	NIL
	·Others, please specify	NIL	NIL	NIL	NIL
	Total(2)	NIL	NIL	NIL	NIL
	Total(B)=(1+2)	2.40	1.80	3.00	7.20
	Total Managerial Remuneration	NIL			
	Overall Ceiling as per the Act	Overall ceiling as per the Companies Act, 2013 is not applicable to the sitting fees.			

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Shri Sushil Kumar Bajpai Company Secretary & CFO	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	49.38	49.38
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
	Stock Option	0	0	0
	Sweat Equity	0	0	0
	Commission- as % of profit	0	0	0
	-others, specify…			
	Others, please specify	0	0	0
	Total	**0**	**49.38**	**49.38**

VI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

	Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ Court]	Appeal made. If any (give details)
A.	**Company**					
	Penalty	NA	NA	NA	NA	NA
	Punishment	NA	NA	NA	NA	NA
	Compounding	NA	NA	NA	NA	NA
B.	**Directors**					
	Penalty	NA	NA	NA	NA	NA
	Punishment	NA	NA	NA	NA	NA
	Compounding	NA	NA	NA	NA	NA
C.	**Other Officers in Default**					
	Penalty	NA	NA	NA	NA	NA
	Punishment	NA	NA	NA	NA	NA
	Compounding	NA	NA	NA	NA	NA

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(MURLIDHAR GYANCHANDANI)
Executive Chairman
DIN – 00049298

Date: 28/09/2019
Place: Gurugram

ANNEXURE-IV

ANNUAL REPORT ON CSR ACTIVITIES

Pursuant to clause (a) of sub-section (4) of Section 135 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014

1. A brief outline of the Company's CSR Policy: The CSR Policy of the Company guides the actions of the Company in its efforts to contribute to promoting health care, making a contribution for the betterment of lives of the under-privileged persons, senior citizens, orphans, differently abled persons and women and promoting education, supporting rural development, providing sanitation and drinking water.

The Company's CSR Policy has been uploaded in the website of the Company under the web-link http://www.gharidetergent.com/corp_social_resp.html. The Projects undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013.

2. The Composition of the CSR Committee:

Corporate Social Responsibility (CSR) Committee comprises of following three Directors as Members of the Committee:

(1)	Shri Murli Dhar Gyanchandani	Managing Director	Chairman
(2)	Shri Bimal Kumar Gyanchandani	Managing Director	Member
(3)	Smt. Renuka Gulati	Independent Director	Member

3. Average Net Profit of the Company for last three financial years: Rs.47115.77 Lacs

4. Prescribed CSR Expenditure: Rs. 1018.74 lacs

5. Details of CSR spent during the financial year:

a. Total amount to be spent for the financial year on CSR Activities: 942.32 Rs. lacs

b. Amount unspent, if any: N/A

c. Manner in which the amount spent during the financial year is detailed below:

Sr. No.	Projects / Activities	Sector	Locations	Amount Outlay (Budget) Project or programs	Amount spent on the Project or programs	Cummulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency
1	Construction of toilets	Eradicating hunger, poverty and malnutrition, promoting health care including preventinve health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Various parts in India	NA	25,584,294.00	NA	Directly as well as through implementing agency
2	Eradicating hunger, poverty & malnutrition		Various parts in India	NA	66,000.00	NA	Directly as well as through implementing agency
3	Making available safe drinking water		Various parts in India	NA	4,915,965.00	NA	Directly as well as through implementing agency
4	Promoting health care including preventive health care		Various parts in India	NA	16,172,000.00	NA	Directly as well as through implementing agency
5	Promotion of education	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Various parts in India	NA	5,119,414.00	NA	Directly as well as through implementing agency
6	Assistance for the disabled		Various parts in India	NA	81,096.00	NA	Directly as well as through implementing agency
7	Promoting education for differently abled		Various parts in India	NA	120,000.00	NA	Directly as well as through implementing agency

Sr. No.	Projects / Activities	Sector	Locations	Amount Outlay (Budget) Project or programs	Amount spent on the Project or programs	Cummulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency
8	Assistance for children	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	Various parts in India	NA	960,000.00	NA	Directly as well as through implementing agency
9	Construction of old age home		Various parts in India	NA	1,500,000.00	NA	Directly as well as through implementing agency
10	Facilities for senior citizens		Various parts in India	NA	315,980.00	NA	Directly as well as through implementing agency
11	Measures for reducing inequalities faced by socially and economically backward groups		Various parts in India	NA	3,180,000.00	NA	Directly as well as through implementing agency
12	Welfare of society		Various parts in India	NA	1,923,442.00	NA	Directly as well as through implementing agency
13	Animal welfare	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water 4[including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].	Various parts in India	NA	4,418,083.00	NA	Through implementing agency
14	Water Conservation		Gujarat	NA	2,214,900.00	NA	Through implementing agency
15	ensuring enrivormnetal sustainability		Various parts in India	NA	239,122.00	NA	Directly as well as through implementing agency
16	Promotion of art, culture & various social work	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;	Various parts in India	NA	1,505,490.00	NA	Through implementing agency
17	Measures for the benefit of dependents of armed forces	Measures for the benefit of armed forces veterans, war widows and their dependents;	Various parts in India	NA	4,000,000.00	NA	Through implementing agency
18	Promoting sports	Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	Various parts in India	NA	325,000.00	NA	Through implementing agency
19	Rural development projects	Rural development projects	Various parts in India	NA	29,233,214.00	NA	Through implementing agency
				TOTAL	**101,874,000.00**		

6. Reasons for not spending the amount:

N/A

7. A Responsibility Statement of CSR Committee:

The CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and policy of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
RSPL LIMITED

	MURLI DHAR GYANCHANDANI	**MURLI DHAR GYANCHANDANI**
Date: 28/09/2019	*Chairman of the Committee*	*Executive Chairman*
Place: Gurugram	DIN – 00049298	DIN – 00049298

ANNEXURE-V

NOMINATION AND REMUNERATION POLICY

1. Introduction:

In terms of Section 178 of the Companies Act, 2013, this policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management of RSPL Ltd has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors.

This policy shall act as guidelines on matters relating to the remuneration, appointment, removal of the Directors, Key Managerial Personnel and Senior Management. It shall specify the manner for effective evaluation of performance of Board, its committees and individual directors from time to time. The evaluation would be carried out by the Nomination and Remuneration Committee (NRC), however it could also be carried out either by the Board, or by an independent external agency and NRC shall review its implementation and compliance there of.

2. Definitions:

In this policy unless the context otherwise requires the Act means The Companies Act, 2013 and rules made there under, as amended from time to time.

a) Company means RSPL Ltd.

b) Board means Board of Directors of RSPL Ltd.

c) Independent Director means a Director referred to in Section 149 (6) of The Companies Act, 2013

d) Committee means Nomination and Remuneration Committee (NRC) of the Company as constituted by the Board from time to time.

e) Key Managerial Personnel or KMP means Managing Director, Joint Managing Director, Whole-time Director, Chief Financial Officer, Company Secretary and such other persons who may be deemed to be KMP under the Companies Act, 2013 and as amended from time to time

f) Senior Management Personnel means personnel of the Company comprising of all members of management one level below the executive directors including the functional heads. The designation and categories of such Personnel will be determined by the Company based on the functional and reporting structure.

g) SL means Salary Level.

The words and expressions used but not defined herein, but defined under the Companies Act, 2013 shall have the meaning assigned therein.

3. Constitution of the Nomination and Remuneration Committee:

The Board has the power to constitute / reconstitute the Committee from time to time in order to make it consistent with RSPL policies and applicable statutory requirements. At present, the Nomination and Remuneration Committee of the Company comprises of the following members:

a) Shri Rajinder Pal Singh, Chairman, and Non Executive Independent Director

b) Shri Jagan Nath Gupta, Non Executive and Independent Director

c) Ms. Renuka Gulati, Non Executive and Independent Director

The Committee was formed on 20th March, 2015 and re-constituted on 15th March, 2016

Membership of the Committee shall be disclosed in the Annual Report of the Company.

The policy shall be disclosed in the Board Report of the Company or alternatively it can also be placed on the website of the company and the salient features of the policy and changes therein from time to time along with the web address of the policy shall be disclosed in the Board's Report.

The terms of the Committee shall be continued unless terminated by the Board of Directors.

4. Key objectives of the Committee:

a) To guide the Board in relation to the appointment and changes in Directors, Key Managerial Personnel and Senior Management;

b) To evaluate the performance of the Members of the Board and provide necessary report to the Board for further evaluation;

c) To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management;

d) To develop a succession plan for the Board and to regularly review the plan;

e) To determine remuneration based on Company's financial position, trends and practices on remuneration prevailing in the industry;

f) To retain, motivate and promote talent and to ensure long term sustainability of Senior Management talent including KMPs and create competitive advantage;

g) It shall also specify the manner for effective evaluation of performance of Board, its committees and individual directors from time to time. The evaluation would be carried out by the Nomination and Remuneration Committee (NRC), however it could also be carried out either by the Board, or by an independent external agency and NRC shall review its implementation and compliance there of

g) it may consider any other matters as may be requested by the Board.

5. Meetings:

The meeting of the Committee shall be held at regular intervals as deemed fit and appropriate. The Company Secretary of the Company shall act as the Secretary of the Committee.

The Nomination and Remuneration Committee shall set up a mechanism to carry out its functions, as deemed necessary for proper and expeditious execution. The Chairman of the Committee or in his absence any other member of the Committee authorized by him on this behalf shall attend general meetings of the Company.

6. Committee members interest:

a) A member of the Committee is not entitled to participate in the discussions when his/her own remuneration is discussed at a meeting or when his/her performance is being evaluated

b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee

7. Effective Date:

This policy is effective from 20.03.2015 and is amended upto date keeping in view of any amendment in Companies Act 2013 or rules, notifications, circulars etc framed there under and notified from time to time.

8. Appointment of Director, Key Managerial Personnel & Senior Management - Criteria & Qualification:

The appointment of Director, Key Managerial Personnel and Senior Management will be based on the outcome of strategic planning. The recruitment process for selection to KMP and Senior Management commences after the approval of manpower requisitions by the appointing authority depending upon the salary level. Relevant approval of concerned is also obtained as part of the process, as deemed fit depending upon the level of hiring.

The Committee shall consider the standards of qualification, expertise and experience of the candidates for appointment as Director, Key Managerial Personnel and Senior Management and accordingly recommend to the Board his/her appointment.

9. Remuneration to Directors, Key Managerial Personnel, Senior Management Personnel and other employees:

a) The Key Managerial Personnel, Senior Management Personnel and other employees shall be paid remuneration as per the HR/Compensation and Benefit policy of the Company as revised or updated from time to time.

b) The Human Resource department will inform the Committee, the requisite details on the proposed increments based on performance of the Directors/KMP/ Senior Management.

c) The compensation structure will also be based on the market salary survey. The survey for total remuneration would be commissioned with external consultants. The Basket of Companies will be finalized by HR department after considering all the relevant aspects.

d) The composition of remuneration so determined by the committee shall be reasonable and sufficient to attract, retain and motivate the Key Managerial Personnel and Senior Management of the quality required to meet high standards of performance. The relationship of remuneration to performance shall be clear and meet appropriate performance benchmarks.

The Committee may review remuneration of identified senior management personnel from time to time.

e) Remuneration to Non-Executive & Independent Directors:

Sitting Fees

The Non-executive Directors and Independent Directors of the Company are entitled to sitting fees as determined by Board from time to time for attending Board / Committee meetings thereof in accordance with the provisions of the Act.

10. Policy on Board diversity:

The Board of Directors shall comprise of Directors having expertise in different areas / fields like Corporate Strategy, Planning, Sales, Advertising and Marketing. etc. or as may be considered appropriate. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to age and educational background, professional experience, business management, skills and knowledge. The Board shall have atleast one Board member who has accounting or related financial management expertise and atleast one woman director.

The Board members have a strong hold on all the business verticals of the Group who collectively contribute towards the growth of the business of the Company and the group.

11. Changes amongst Directors, Key Managerial Personnel & Senior Management:

The Committee may recommend to the Board, changes in Board, Key Managerial Personnel or Senior Management.

Personnel subject to the provisions of the Act and applicable Company's policies i.e., Code of Business Conduct and Principles of legal compliance framed and adopted by the Company from time to time.

12. Amendments to the Nomination and Remuneration Policy:

The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this policy, as deemed fit from time to time.

ANNEXURE - VI

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a)	Name(s) of the related party and nature of relationship	NIL
(b)	Nature of contracts/arrangements/transactions	NIL
(c)	Duration of the contracts / arrangements/transactions	NIL
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
(e)	Justification for entering into such contracts or arrangements or transactions	NIL
(f)	date(s) of approval by the Board	NIL
(g)	Amount paid as advances, if any:	NIL
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount In (INR) Lacs	Amount paid as advances, if any
RSPL Health BD Limited **(Step Down Subsidiary)**		01/04/2017 to 31/03/2020	Raw Material, Semi Finished & Finished Goods	25/09/2018	491.80	--
Leayan Global Private Limited **(Common Directorship)**	Sale of Goods	01/04/2017 to 31/03/2020	Chemicals & other Materials	25/09/2018	1.78	--
NIF Private Limited **(Common Directorship)**		01/04/2017 to 31/03/2020	Packing Material, Finished Goods, Scrap & Other Materials	25/09/2018	56.38	--
Leayan Global Private Limited **(Common Directorship)**	Sale of Fixed Assets	01/04/2017 to 31/03/2020	Sale of Property, Plant and Equipment	25/09/2018	19.46	--
NIF Private Limited **(Common Directorship)**		01/04/2017 to 31/03/2020	Sale of Property, Plant and Equipment	25/09/2018	16.21	--
NIF Private Limited **(Common Directorship)**	Sale of Services	2018 - 2019	Reimbursement common cost allocation	N/A	73.89	--
Leayan Global Private Limited **(Common Directorship)**		2018 - 2019	Reimbursement common cost allocation	N/A	20.08	--
NIF Private Limited **(Common Directorship)**	Purchase of Goods	01/04/2017 to 31/03/2020	Milk, dairy Products & Other Materials	25/09/2018	25.48	--
Leayan Global Private Limited **(Common Directorship)**	Purchase of Goods	N.A.	Purchase of Goods	25/09/2018	4.00	--
RSPL Health Pvt. Ltd. (Wholly owned Subsidiary)		31/04/2014 till date	Rent received	04.04.2014	0.36	--
Leayan Global Private Limited **(Common Directorship)**		01/01/2017 to 31/12/2019,	Rent received	26/12/2016	36.20	--
	Rent Received	30/08/2012 to 31/03/2032		Ongoing		
NIF Pvt. Ltd. **(Common Directorship)**		31/12/2016 to 31/12/2019, 18/03/2010 to 31/03/2030	Rent received	Ongoing Ongoing	8.40	--
Laxmi Devi Dayal Das Charitable Trust **(Common Directorship)**		01.10.2012-30.09.2022	Rent received	25.10.2012	0.60	--
Mr. Murli Dhar **(Key Managerial Personnel)**		26/10/2013 till date, 1/04/2008 till date	Lease of Immovable Property – Rent paid	Ongoing Agreement	9.15	--
Mr. Bimal Kumar **(Key Managerial Personnel)**		1/04/2008 till date, 4/09/2015 to 30/09/2020, 26/10/2013 till date	Lease of Immovable Property – Rent paid	04/09/2015	25.35	--
Mr. Manoj Kumar **(Key Managerial Personnel)**	Rent Paid	4/09/2015 to 30/09/2020,	Lease of Immovable Property – Rent paid	4/09/2015	20.40	--
Mr. Rohit Gyanchandani **(key Managerial Personnel)**		01/04/2008 till date	Lease of Immovable Property – Rent paid	18/04/2016	14.70	--
Mr. Rahul Gyanchandani **(Key Managerial Personnel)**		01/04/2018 to 31/03/2019	Lease of Immovable Property- rent paid	25/09/2018	11.70	--

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount In (INR) Lacs	Amount paid as advances, if any
Mrs. Seema Gyanchandani **(Share Holder of the Company)**		01/1/2018 to 30/09/2023	Lease of Immovable Property- rent paid	25/09/2018	14.40	--
RSPL Health Pvt. Ltd	Rent Paid		Lease of Immovable Property	17/04/2017	3.00	
Serene Finmart Pvt Limited			Lease of Immovable Property- rent paid		84.0	
RSPL Health Pvt. Ltd. (Wholly owned Subsidiary)	Royalty Paid	01/04/2015 to 15/01/2022	Use of Trade Mark, Lable & Copyright in respect of "XPERT"	5/06/2015	872.07	--
Rene Solution **(Partner is Relative of Director)**	Commission C&F Paid	2018-2019	Commission Paid	In Ordinary course of business and arms length	109.03	--
Rene Solution **(Partner is Relative of Director)**	Sales Promotion Expenses Paid	2018-2019	Promotion Expenses Paid	In Ordinary course of business and arms length	189.35	--
Leayan Global Private Limited **(Common Directorship)**			Purchase of Property, Plant & equipment		5.00	
Leayan Global Private Limited **(Common Directorship)**			Re-imbursement of SAP Cost		209.32	
NIF Pvt. Ltd. **(Common Directorship)**			Re-imbursement of SAP Cost		317.59	
Leayan Global Private Limited **(Common Directorship)**			Re-imbursement of SAP maintenance expenses		60.81	
NIF Pvt. Ltd. **(Common Directorship)**			Re-imbursement of SAP maintenance expenses		92.5	
Leayan Global Private Limited **(Common Directorship)**			Re-imbursement of Lease hold improvement expenses		23.22	
NIF Pvt. Ltd. **(Common Directorship)**			Re-imbursement of Lease hold improvement expenses		23.22	

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(MURLI DHAR GYANCHANDANI)
EXECUTIVE CHAIRMAN
DIN – 00049298

Place: Gurugram
Date: 28/09/2019

'ANNEXURE-VII'

Particulars of Employees as required under sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Employees employed throughout the financial year and who were in receipt of the remuneration for that Financial Year in the aggregate of not less than Rs. 1,02,00,000/-

Sl. No.	Name	Designation/ Nature of Duties	Remuneration Received (INR)	Nature of Employment, whether contractual or otherwise	Qualifications	Experience	Date of Commencement of Employment	Age	Particulars of Last Employment	% of Equity Shares held
1.	Shri Murlidhar Gyanchandani	Executive Chairman	14,47,98,000	Contractual	Graduate	31 Years	27/09/1995	72	-	26.37
2.	Shri Bimal Kumar Gyanchandani	Managing Director	14,47,98,000	Contractual	Graduate	31 Years	11/10/1995	58	-	25.00
3.	Shri Rahul Gyanchandani	Joint Managing Director	12,67,98,000	Contractual	Graduate	15 Years	01/05/2004	39	-	15.00
4.	Shri Manoj Kumar Gyanchandani	Whole Time Director	12,67,98,000	Contractual	Graduate	22 Years	11/03/2008	46	-	15.00
5.	Shri Rohit Gyanchandani	Whole Time Director	12,67,98,000	Contractual	M.B.A.	14 Years	04/02/2005	34	-	15.00

B. Employees employed for part of the financial year and who were in receipt of the remuneration during not at a rate not less than Rs. 8,50,000/- per month: NIL

For and on behalf of the Board
(MURLI DHAR GYANCHANDANI)
Executive Chairman

Place: Kanpur
Date: 28.09.2018

INDEPENDENT AUDITOR’S REPORT

To the Members of RSPL Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **RSPL Limited** (“the Company”), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity 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 standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) 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 March 31, 2019, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs),as 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 Ind AS Financial Statements’section of our report. We are independent of the Company in accordance with the ‘Code of Ethics’issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standaloneInd AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements asa whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	**How our audit addressed the key audit matter**
<u>Capitalisation of Property, plant and equipment and consequential tax impact</u> *(as described in note 44 of the standalone Ind AS financial statements)*	
The Company has set up a greenfield soda ash manufacturing facility as detailed in note 44 of standalone Ind AS financial statements. During the year ended March 31, 2019, the Company has capitalised INR 255,429.26 lakh under various heads of Property, plant and equipment and INR 90,810.75 lakh is carried forward as capital work in progress. Capitalisation of plant requires significant management judgement and estimation to ensure that the plant has achieved technical stability, the completeness of accruals relating to the portion of the plant to be capitalised and its assessment of useful economic lives and residual values. Large capitalization are associated with consequential tax benefits resulting in carry forward tax losses and MAT credits. The recognition of deferred tax assets on tax losses and MAT credit amounting to INR 7,929.18 lakh, entails a high level of judgement by the management in assessing the quantification, probability and sufficiency of future taxable profits against which they may be offset, future reversals of existing taxable temporary differences, etc. Basis the involvement of significant judgement by management for capitalization and consequential recognition of deferred tax, this has been considered as key audit matter.	In order to address this risk, we have performed the audit procedures including: • We have tested the design and implementation of controls in respect of the processes and procedures in the Company which govern: - the accuracy and completeness of the capitalisation of the costs including direct and indirect cost, timing of capitalisation of the plant, property and equipment and assessing economic useful lives of the assets as per the recognition criteria of IND AS 16 “Property, plant and equipment’. - the recognition and measurement of deferred tax assets on tax losses and MAT credit available for utilisation in the future years. • We analysed the current and deferred tax calculations against the relevant provisions of accounting standards and tax legislation • We evaluated management assessment of the manner in which deferred tax assets would be realised by comparing this to evidence obtained • We performed sensitivity analysis on management’s assumptions used in the forecast model by using our knowledge of the Company and the industry in which it operates; • We tested the mathematical accuracy of the deferred tax calculation. • We evaluated the adequacy of the Company’s disclosures setting out the basis of the deferred tax balance and the level of estimation involved • We have carried out substantive testing in relation to capitalised costs and capital work in progress including concurrence supporting evidence for a sample of the capitalised costs, understanding the nature of the costs capitalised, etc. • We have met the project leaders and performed substantive procedures to corroborate the project status, technical and commercial feasibility of the completion, etc. to assess the timing of the capitalisation. • We involved our internal tax specialist to check the income tax computation for the accuracy of tax losses and MAT credits. • We analysed the board of director approved forecast data and future reversals of existing taxable temporary difference for the utilization/ adjustment of tax losses and MAT credit.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2"><u>Recognition of Government Grant pending notification for revised calculation criteria post GST implementation</u> (as described in note 32 (f) of the standalone Ind AS financial statements)</td></tr>
<tr><td>The Company is entitled to a State incentive in the form of 80% reimbursement of net VAT paid by the Company. Post GST implementation effective July 1, 2017, the VAT / CST Acts have been repealed and the State Government has not yet issued any clarification on the revised calculation criteria to claim the incentive. The Industries Association of Bihar State has filed a writ with the Hon'ble Patna High Court against the State Government to issue the revised computation criteria to claim incentive and the matter is sub-judice as of date.

The Company on the basis of SGST paid/ payable in the GST regime, has recognized an asset of INR 25,693.81 lakh with corresponding deferred revenue of INR 22,383.85 in the balance sheet of March 31, 2019 and an income of INR 562.04 lakh in the profit and loss statement for the year ended March 31, 2019.

The aforesaid incentive recognised by the Company may significantly deviate on account of change in the management's judgements and estimates and revised criteria by the State Government to claim the incentive and therefore, this has been considered as key audit matter.</td><td>In our audit, we checked the accuracy and valuation of the said incentives accrued by the Company. The audit procedures performed include:
• We discussed the matter with the Company's in-house tax counsel for an understanding of the relevant Acts and conditions attached thereto and the legal and constitutional right of the Company to receive the benefit post implementation of GST. We involved our indirect tax specialist on the same and obtained their views.
• We examined the State Incentive policy to check the eligible quantum and period of incentives.
• We tested the incentive recognised in the balance sheet and the statement of profit and loss as per the accounting policy followed by the Company.
• We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to the government grants, including the controls in respect of measurement of the grants.
• We compared the inputs used in the computation of government grant to external data, including the modalities to claim the incentives under the Policy.
• We re-calculated the computation of government grant using inputs and estimates used by the management
• We tested the estimates of future tax liability from the board approved projections of production from the particular facility and sales within the state of Bihar.</td></tr>
</table>

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report, but does not include the standaloneInd AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standaloneInd AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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.

Responsibilities of Management 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 Act with respect to the preparation of these standaloneInd ASfinancial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 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 standaloneInd AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standaloneInd AS 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 Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standaloneInd AS financial statements asa 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 onthe basis of thesestandalone Ind AS 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 standaloneInd AS 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 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 standaloneInd AS financial statements, including the disclosures, and whether the standaloneInd AS 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 standaloneInd AS financial statements for the financial year ended March 31, 2019 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 of India in terms of sub-section (11) of section 143 of the Act,we give in the "Annexure 1"a statement on the matters specified in paragraphs 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standaloneInd AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2019taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019from 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 with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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, 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 standaloneInd AS financial statements – Refer Note 34D to the standaloneInd AS financial statements;

      ii. The Company 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 – Refer Note 8 to the standaloneInd AS financial statements;

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

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 19091813AAAACZ5224

Place : Gurugram
Date : September 28, 2019

Annexure 1 referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our report of even date

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All the fixed assets were physically verified by the management in the financial year ended March 31, 2018 in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment and investment property are held in the name of the Company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2019 and no material discrepancies were noticed in respect of such confirmations.

(iii) (a) The Company has granted loan to a firm covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loan are not prejudicial to the Company's interest.

(b) The Company has granted loan that is re-payable on demand, to a firm covered in the register maintained under section 189 of the Companies Act, 2013. We are informed that the Company has demanded repayment of loan during the year and there has been no default on the part of the party to whom the money has been lent. The schedule of payment of interest has not been stipulated and accordingly, interest has been accrued as at the year end.

(c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, guarantees and securities given in respect of which provisions of section 185 of the Companies Act 2013 are applicable and hence not commented upon. The Company has complied with provisions of section 186 of the Companies Act 2013 in respect of loans and advances given, investments made and, guarantees, and securities given.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of organic/ in-organic compounds, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, goods and service tax and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess, goods and service tax and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the company, the dues outstanding of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute are as follows:

Name of the statute	Nature of dues	CARO Disclosure as per CY (In lacs)	Period (A.Y.) to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Central Excise Duty	45.23	01-10-20 12 to 30-06-2013	Commissioner (Appeals)- Meerut
Central Excise Act, 1944	Cenvat Credit	21.58	01-04-2009 to 31-03-2011	Commissioner (Appeals)- Allahabad
Central Excise Act, 1944	Cenvat Credit	20.81	01-04-2009 to 31-03-2014	CCE - Bhopal
Central Excise Act, 1944	Central Excise Duty	28.02	01-04-2014 to 31-03-2015	Joint Commissioner of Central Excise, Meerut
Central Excise Act, 1944	Central Excise Duty	15.85	01-04-2015 to 30-09-2015	Joint Commissioner of Central Excise, Dehradun
Central Excise Act, 1944	Central Excise Duty	8.59	01-07-2013 to 31-03-2014	Joint Commissioner of Roorkee
Central Excise Act, 1944	Cenvat Credit	15.16	October 2015 to June 2017	Assistant Commissioner, CGST,Div.-VI, Ghaziabad
Central Excise Act, 1944	Central Excise Duty	50.60	01-10-2015 to 31-03-2017	Assistant Commissioner of Central excise (Haridwar)
Central Excise Act, 1944	Central Excise Duty	33.77	April 2015 to March 2016	Assistant Commissioner (CGST)
Central Sales Tax Act,1956	Sales Tax	203.35	01-04-2000 to 31-03-2001	High Court, Allahabad
Commercial Tax Jamshedpur	VAT	126.45	01-04-2010 to 31-03-2011	High Court, Ranchi
Commercial Tax Jharkhand	VAT	119.09	01-04-2010 to 31-03-2011	Assessing Officer Appeal
Commercial Tax Maharashtra	CST	8.17	01-04-2011 to 31-03-2012	Additional Commissioner Appeal
Commercial Tax U.P.	CST	10.33	01-04-2013 to 31-03-2014	Additional Commissioner Appeal
Finance Act, 1994	Cenvat Credit	9.72	01-03-2010 to 30-09-2014	Assistant/Deputy Commissioner Central Excise Ghaziabad

Name of the statute	Nature of dues	CARO Disclosure as per CY (In lacs)	Period (A.Y.) to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Cenvat Credit	20.57	01-04-2005 to 31-03-2006	Commissioner of Central Excise (Appeals)-Kanpur
Finance Act, 1994	Cenvat Credit	14.18	01-04-2011 to31-03-2014	Joint Commissioner of Excise & Service tax, Indore
Finance Act, 1994	Cenvat Credit	27.88	April 2012 to March 2015	Assistant Commissioner, Audit-II, Commissioner, Ghaziabad
Finance Act, 1994	Cenvat Credit	19.98	01-09-2013 to 31-03-2015	Commissioner (Appeals) Central Excise Bhopal
Finance Act, 1994	Cenvat Credit	8.09	January 2006 to May2007	Addl. Commissioner Central Excise Bhopal
Finance Act, 1994	Cenvat Credit	10.21	March 2007 to February 2008	Addl. Commissioner Central Excise, Bhopal.
Finance Act, 1994	Cenvat Credit	118.62	01-01-2011 to 30-09-2011	Assistant Commissioner of Central excise (Jamshedpur)
Finance Act, 1994	Cenvat Credit	231.11	2015-2016 & 2016-2017 (Upto June'2017)	Superintendent (Audit)
MP VAT ACT	VAT	66.26	01-04-2009 to 31-03-2010	Additional Commissioner Appeal
Central Excise Act, 1944	Excise	2.88	2017-18 (Upto June 2017)	Deputy Commissioner – GST
Central Excise Act, 1944	Excise	9.88	2015-2018	Assistant Commissioner GST & Central Excise
Chhattisgarh VAT Act	VAT	22.40	2014-15	Assistant Commissioner

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, banks or government or dues to debenture holders.

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that nofraud by theCompany or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, 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 notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Co. LLP
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 19091813AAAACZ5224

Place : Gurugram
Date : September 28, 2019

ANNEXURE - 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RSPL LIMTED

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 RSPL Limited ("the Company") as of March 31, 2019, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these 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. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements.

A company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone 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 Over Financial Reporting With Reference to these Standalone Financial Statements

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness have been identified as at March 31, 2019:

(a) The Company did not have an appropriate documented internal control system in place with respect to process of review and monitoring of the year-end financial statement closure process, which may potentially result in material misstatement in the Company's financial statement balances and presentation and disclosure of financial statement. This matter was also qualified in our audit report on the financial statements for the year ended March 31, 2018.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as of March 31, 2019, 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.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of RSPL Limited, which comprise the Balance Sheet as at March 31, 2019, and the related Statement of Profit and Loss including Other Comprehensive Income, Statement of Change in Equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. We have considered the qualified opinion reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2019 financial statements of RSPL Limited and this report does not affect our report dated September 28, 2019 which expressed an unqualified opinion on those standalone financial statements.

For S.R. Batliboi & Co. LLP
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 19091813AAAACZ5224

Place : Gurugram
Date : September 28, 2019

BALANCE SHEET AS AT MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
Assets			
Non-current assets			
Property, plant and equipment	3 (a)	**374,369.35**	122,926.71
Capital work-in-progress	3 (b)	**96,467.58**	269,022.23
Investment property	4	**1,256.00**	1,370.13
Intangible assets	5 (a)	**2,655.89**	241.06
Intangible assets under development	5 (b)	**-**	3,028.54
Investment in subsidiary	6	**3,915.52**	3,495.52
Financial assets			
Investments	6	**18.01**	18.01
Loans	7	**974.23**	808.53
Other financial assets	8	**581.32**	68.76
Other assets	9	**56,498.96**	63,509.96
Income tax assets (net)	14 (a)	**2,215.17**	2,407.70
		538,952.03	466,897.15
Current assets			
Inventories	10	**61,744.80**	57,212.61
Financial assets			
Investments	6	**11,413.71**	15,759.66
Loans	7	**630.65**	787.92
Other financial assets	8	**2,520.38**	969.58
Trade receivables	11	**2,897.18**	3,180.93
Cash and cash equivalents	12 (a)	**9,306.47**	2,643.43
Bank balances other than above	12 (b)	**18.70**	17.58
Other assets	9	**19,100.42**	15,397.76
Assets classified as held for sale	13	**1,066.46**	-
		108,698.77	95,969.47
Total assets		**647,650.80**	562,866.62
Equity and liabilities			
Equity			
Equity share capital	15	**4,403.25**	4,403.25
Other equity	16	**207,688.54**	185,021.70
Total equity		**212,091.79**	189,424.95
Non-current liabilities			
Financial liabilities			
Borrowings	17	**242,279.26**	169,192.72
Provisions	18	**2,684.34**	2,284.33
Deferred tax liabilities (net)	19	**11,619.85**	7,707.65
Other liabilities	22	**27,819.27**	41,838.31
		284,402.72	221,023.01
Current liabilities			
Financial liabilities			
Borrowings	17	**40,147.64**	40,688.88
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	20	**2,700.94**	542.79
Total outstanding dues of creditors other than micro enterprises and small enterprises	20	**36,138.73**	41,006.96
Other financial liabilities	21	**53,064.85**	56,378.00
Other liabilities	22	**17,522.15**	13,539.95
Current tax liabilities (net)	14 (b)	**1,195.26**	-
Provisions	18	**386.72**	262.08
		151,156.29	152,418.66
Total Liabilities		**435,559.01**	373,441.67
Total equity and liabilities		**647,650.80**	562,866.62
Summary of significant accounting policies	2		
The accompanying notes are integral part of the financial statements.			

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Pankaj Chadha**
Partner
Membership No.: 091813

Place: Gurugram
Date: September 28, 2019

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary and Chief Financial Officer
Membership No.:- F3753

Place: Gurugram
Date: September 28, 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	23	**451,953.94**	447,967.97
Other income	24	**4,427.89**	7,954.30
Total income		**456,381.83**	455,922.27
Expenses			
Cost of materials consumed	25 (a)	**303,303.35**	290,498.15
Change in inventories of finished goods, work-in-progress, and others	25 (b)	**(4,519.19)**	6,065.36
Excise duty on sale of goods		**-**	9,020.02
Employee benefits expense	26	**33,377.64**	31,848.54
Finance costs	29	**7,821.32**	5,542.92
Depreciation and amortization expense	27	**9,767.81**	8,164.86
Other expenses	28	**69,186.03**	65,405.42
Total expenses		**418,936.96**	416,545.27
Profit before tax		**37,444.87**	39,377.00
Tax expense :			
Current tax	19	**8,357.42**	10,454.00
Deferred tax	19	**3,861.26**	2,481.69
Adjustment of tax related to earlier periods	19	**-**	(489.73)
Profit for the year		**25,226.19**	26,931.04
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
Re-measurement gains on defined benefit plans	30	**145.77**	748.36
Income tax effect	30	**(50.94)**	(258.99)
Other comprehensive income for the year		**94.83**	489.37
Total comprehensive income for the year		**25,321.02**	27,420.41
Earnings per equity share (face value INR 10 each):	31		
(1) Basic		**57.29**	61.16
(2) Diluted		**57.29**	61.16
Summary of significant accounting policies	2		

The accompanying notes are integral part of the financial statements.

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Pankaj Chadha**
Partner
Membership No.: 091813

Place: Gurugram
Date: September 28, 2019

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
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Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary and Chief Financial Officer
Membership No.:- F3753

Place: Gurugram
Date: September 28, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

	Particulars	**For the year ended March 31, 2019**	For the year ended March 31, 2018
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	**37,444.87**	39,377.00
	Adjustment to reconcile profit before tax to net cash flows:		
	Depreciation and amortization expense	**9,767.81**	8,164.86
	Unrealised exchange difference (gain)/loss	**(295.41)**	61.11
	Provision for doubtful loans and advances / trade receivables	**36.21**	304.95
	Balances written off	**5.51**	2,395.15
	Property, plant and equipment written off	**6.15**	780.60
	Loss/(profit) on sales of property, plant and equipment (net)	**69.23**	(493.16)
	Fair value gain on investments	**(623.47)**	(918.35)
	Profit on sale of investments	**(106.14)**	(345.84)
	Fair value gain on derivative instruments	**(668.00)**	(42.79)
	Interest and financial charges	**7,821.32**	5,542.92
	Liabilities no longer required written back	**(929.33)**	(227.79)
	Interest income	**(140.88)**	(112.73)
	Operating profit before working capital changes	**52,387.87**	54,485.93
	Add: Working capital changes :		
	(Increase)/decrease in inventories	**(4,532.19)**	6,843.63
	Decrease in trade receivables	**288.06**	1,547.78
	(Increase)/decrease in loans	**(44.64)**	689.54
	(Increase)/decrease in other financial assets	**(1,293.65)**	98.51
	Decrease/(increase) in other assets	**2,091.02**	(44,315.69)
	(Decrease)/increase in trade payables	**(1,640.04)**	635.34
	Increase in provisions	**670.42**	564.73
	(Decrease)/increase in other financial liabilities	**(66.55)**	74.30
	(Decrease)/increase in other liabilities	**(10,036.84)**	33,013.64
	Cash flow from operations	**37,823.46**	53,637.71
	Less: Direct taxes paid (net)	**(7,112.12)**	(13,362.72)
	NET CASH FROM OPERATING ACTIVITIES (A)	**30,711.34**	40,274.99
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment (including capital work in progress and capital advance)	**(90,091.49)**	(154,878.46)
	Proceeds from sale of property, plant and equipment	**183.40**	612.62
	Sale of investments (net)	**4,655.56**	14,466.01
	Fixed Deposits made/ Proceeds from fixed deposits (net)	**(1.15)**	322.83
	Interest received	**39.20**	191.89
	NET CASH (USED) IN INVESTING ACTIVITIES (B)	**(85,214.48)**	(139,285.11)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Interest paid	**(6,929.65)**	(5,190.71)
	Proceeds from long term borrowings	**85,426.38**	138,439.24
	Repayment of long term borrowings	**(14,135.13)**	(8,619.04)
	Repayment of short term borrowings (net)	**(541.24)**	(15,320.98)
	Dividend paid (including Dividend Distribution Tax)	**(2,654.18)**	(8,479.44)
	NET CASH FROM FINANCING ACTIVITIES (C)	**61,166.18**	100,829.07
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**6,663.04**	1,818.95
	Cash and cash equivalents as at the beginning of the year (refer note 12)	**2,643.43**	824.48
	Cash and cash equivalents as at the end of the year (refer note 12)	**9,306.47**	2,643.43
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**6,663.04**	1,818.95
	Summary of significant accounting policies	**2**	
	The accompanying notes are an integral part of the financial statements.		

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Pankaj Chadha**
Partner
Membership No.: 091813

Place: Gurugram
Date: September 28, 2019

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary and Chief Financial Officer
Membership No.:- F3753

Place: Gurugram
Date: September 28, 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

a. Equity share capital

Equity shares of INR 10 each issued, subscribed and fully paid:

Particulars	Number of shares	Amount
At April 01, 2017	**44032500**	**4,403.25**
Issue of share capital	-	-
At March 31, 2018	**44032500**	**4,403.25**
Issue of share capital	-	-
At March 31, 2019	**44032500**	**4,403.25**

b. Other equity

Particulars	Reserves and Surplus				Total
	Amalgamation reserve	General reserve	Debenture redemption reserve	Retained earnings	
At April 01, 2017	**33.86**	**28,728.09**	**231.51**	**137,087.27**	**166,080.73**
Profit for the year	-	-	-	26,931.04	26,931.04
Other Comprehensive Income					
Re-measurement losses on defined benefit plans	-	-	-	748.36	748.36
Income tax effect on above	-	-	-	(258.99)	(258.99)
Dividend paid during the year	-	-	-	(7,045.20)	(7,045.20)
Dividend distribution tax	-	-	-	(1,434.24)	(1,434.24)
Transfer to debenture redemption reserve	-	-	499.73	(499.73)	-
At March 31, 2018	**33.86**	**28,728.09**	**731.24**	**155,528.51**	**185,021.70**
Profit for the year	-	-	-	25,226.19	25,226.19
Other Comprehensive Income					
Re-measurement gains on defined benefit plans	-	-	-	145.77	145.77
Income tax effect on above	-	-	-	(50.94)	(50.94)
Dividend paid during the year	-	-	-	(2,201.63)	(2,201.63)
Dividend distribution tax	-	-	-	(452.55)	(452.55)
Transfer to debenture redemption reserve	-	-	499.73	(499.73)	-
At March 31, 2019	**33.86**	**28,728.09**	**1,230.97**	**177,695.62**	**207,688.54**
Summary of significant accounting policies		2			

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Pankaj Chadha**
Partner
Membership No.: 091813

Place: Gurugram
Date: September 28, 2019

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary and
Chief Financial Officer
Membership No.:- F3753

Place: Gurugram
Date: September 28, 2019

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

1. Corporate information

RSPL Limited is a public company domiciled and incorporated under the provisions of the Companies Act, 1956. The Company is operating in the "Fast Moving Consumer Goods' (FMCG) business comprising Home and Personal Care (HPC) products and it is also in the business of generating electricity using wind energy.

The Company's debt securities are listed on the National Stock Exchange. The registered office of the Company is located at 119-121, Block P&T, Fazalganj, Kalpi Road,Kanpur – 208 012.

The information on related party relationships of the Company is provided in **Note 35**.

The financial statements were approved for issue in accordance with a resolution of the directors on September 28. 2019

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and with Companies (Indian Accounting Standards) (Amendment) Rules, 2016 issued by Ministry of Corporate Affairs ("MCA").

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The financial statements correspond to the classification provisions as contained in Ind AS 1 "Presentation of Financial Statements". For the purpose of clarity, various items are aggregated in the statements of profit and loss and balance sheet, however, the details of such items are separately presented in the notes to accounts of the financial statements, where applicable.

The financial statements are presented in Indian Rupees (INR) in lakh and all values are rounded to the nearest lakh (INR 00,000), except when otherwise stated.

2.2 Summary of significant accounting policies

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle (the company considers 12 month period as normal operating cycle).
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle (the company considers 12 month period as normal operating cycle).
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities 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 realization in cash and cash equivalents.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

b. Foreign currencies

Functional and presentational currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value) – the resulting foreign exchange difference, on subsequent re-statement / settlement, recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity.

c. 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:

- In the principal market for the asset or liability, or
- 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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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 categorization (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.

d. Revenue from Contract with Customer

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer, generally on delivery of goods, at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 Revenue. The effect of initially applying this standard is recognized at the date of initial application (i.e. April 1, 2018). The Company has adopted Ind AS 115 using the modified retrospective approach. Under the modified retrospective approach, there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial statements.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers on behalf of the government.

Interest income

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrumentbut does not consider the expected credit losses.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

e. Government grant

Government grants are recognised 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 recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

f. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. 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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, 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 re-assessed 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 profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI 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 tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

g. Minimum Alternative Tax

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

h. Non-current assets held for sale to owners and discontinued operations

The Company classifies non-current assets and disposal assets as held for sale. If their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The group treats sale of the asset or disposal group to be highly probable when:

a) The appropriate level of management is committed to a plan to sell the asset (or disposal group),

b) The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value.

c) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification and.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

d) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

i. Property, plant and equipment

Property, plant and equipment and capital work in progress are stated at cost lessaccumulated depreciation and accumulated impairment loss, if any.

Such cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct services, any other costs directly attributable to bringing the assets to its working condition for their intended use and cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Any trade discounts and rebates are deducted in arriving at the purchase price.

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item of property, plant and equipment, if it is probable that future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably with the carrying amount of replaced part getting derecognized. The cost of day-to-day servicing of property, plant and equipment are recognized in statement of profit and loss as and when incurred.

Capital work in progress comprises the cost of fixed assets that are not ready for their intended use at the reporting date.

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 disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

Depreciation on property, plant and equipment has been provided on the straight line method as per the useful life as estimated by the management to allocate their cost, net of their residual values, over their estimated useful lives based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Asset category	Useful lives estimated by the management (years)
Plant and equipment	3 - 40 years
Office equipment	2 - 5 years
Buildings	3-60 years
Computers (including servers)	3-6 years
Electrical installations and fittings	10 years
Furniture and fixtures	10 years
Lab Equipments	10 years
Land (Leasehold)	As per the lease term
Wind power convertors	20 years
Vehicles	6 years

Assets costing Rs. 5,000 or less are fully depreciated in the year of purchase.

Depreciation on additions/ deletionsis provided on pro-rata basis with reference to the date of addition/ deletion.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

j. 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 amortization and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life (Estimated by management is 3 to 10 years) 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 least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Asset category	Useful lives estimated by the management (years)
Software and Licenses	3 - 10 years
Technical Know How	10 years

Gains or losses arising from Derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognized.

k. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance lease:

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are

(Amount in INR lakh, unless otherwise stated)

capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating Lease:

Operating lease payments are recognized as expense or income on a straight line basis with reference to lease terms and other considerations except where-

i. Another systematic basis is more representative of the time pattern of the benefit derived from the asset taken or given on lease; or

ii. The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

Company as a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the excepted inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

m. Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Company depreciates building component of investment property over 30 years from the date of original purchase.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are de-recognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

n. Inventories

Inventories of raw materials, components, stores and spares are valued at the 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.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials and components: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition such as non-refundable duties, freight etc.. Cost of raw material and components is determined on weighted average basis.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

- Cost of spare parts is determined on weighted average basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

Net realizable 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.

In the current year, w.e.f. April 1, 2018, the Company has implemented SAP system for its accounting and financial reporting and change the accounting policy of inventory valuation from First in First out (FIFO) method to weighted average method. Since there are numerous inventory items with high turnover used in the production cycle it is impracticable to apply weighted average method in the earlier years for the comparative and cumulative impact. Therefore, the change in the accounting policy for inventory valuation has been applied on the prospective basis i.e. w.e.f. April 1, 2018. Also, the inventory holding period in the Company is not high and the prices of the inventory are not highly volatile, the management does not expect any material effect of the change in accounting policy of the inventory valuation on the results of the operations or financial position of the earlier years.

o. Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (CGU) is the greater of its value in use or fair value less costs to sell. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets ('CGU').

An impairment loss is recognised, if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount and is recognised in statement of profit and loss.

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

p. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

q. Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

Contingent assets are assessed continually and if it is virtually certain that an outflow of economic benefits will arise, the assets and related income are recognized in the period in which the change occurs.

r. Retirement and other employee benefits

Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. There are no other obligations other than the contribution payable to the respective trust. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Companyrecognizes related restructuring costs

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated leave absences

Accumulated leave, which is expected to be utilized within a period of next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

s. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Financial asset

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost

This category generally applies to trade and other receivables. Company has recognized financial assets viz. trade receivables, cash and cash equivalents, security deposits, trade receivables at amortized 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.

This category is the most relevant to the Company. 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 on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On DE recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. Company has recognized investment in mutual funds at FVTPL.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

For equity instruments included within the FVTPL category are measured at fair value and company has recognized all changed in the P&L.

DE recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required torepay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a. Financial assets that are debt instruments, and are measured at amortized cost e.g., deposits, advances and bank balance

b. Trade receivables that result from transactions that are within the scope of Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

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, as appropriate.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The 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. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

The company does not have any financial liabilities designated at Fair Value through Profit or Loss.

Financial liabilities at amortized cost

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method.Gains and losses are recognised in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

DE recognition

A financial liability is derecognized 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 DE recognition 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.

t. Derivative financial instruments accounting

The Company uses derivative financial instruments, such ascross currency interest rate swaps and interest rate swaps to hedge against its risk exposure against foreign currency loans, variable interest outflow on such loans relating to firm commitments. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

u. Cash and cash equivalents:-

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

v. Earnings per share:-

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

3 (a). Property, plant and equipment

(Amount in INR lakh, unless otherwise stated)

Particulars	Freehold land	Leasehold land (i)	Leasehold improvement	Buildings	Plant and equipment	Lab equipment	Wind power convertors	Electrical installation and fittings	Office equipment	Computers	Furnitures and fixtures	Vehicles	Total
Gross Block (at deemed cost/cost)													
At April 01, 2017	28,048.58	1,579.74	-	33,546.02	27,067.42	74.56	20,677.92	2,250.16	1,033.85	725.85	848.39	4,747.77	120,600.26
Additions	486.36	262.47	-	7,766.57	14,484.67	203.78	101.55	1,112.03	280.34	235.93	142.36	442.06	25,518.12
Disposals / adjustments	308.12	-	-	101.99	1,346.37	1.28	16.00	91.80	165.10	82.27	38.31	160.17	2,311.41
At March 31, 2018	**28,226.82**	**1,842.21**	**-**	**41,210.60**	**40,205.72**	**277.06**	**20,763.47**	**3,270.39**	**1,149.09**	**879.51**	**952.44**	**5,029.66**	**143,806.97**
Additions	141.61	-	328.11	13,199.58	247,375.52	25.00	-	123.87	229.21	214.45	262.21	254.75	262,154.31
Disposals / Adjustments	-	-	-	6.39	396.55	-	-	-	42.93	4.81	0.05	79.96	530.69
Reclassified from Investment Property	62.97	-	-	-	-	-	-	-	-	-	-	-	62.97
Reclassified to Assets held for sale (refer note-iii below)	-	-	-	-	2,746.78	0.93	-	542.32	121.74	-	-	-	3,411.77
At March 31, 2019	**28,431.40**	**1,842.21**	**328.11**	**54,403.79**	**284,437.91**	**301.13**	**20,763.47**	**2,851.94**	**1,213.63**	**1,089.15**	**1,214.60**	**5,204.45**	**402,081.79**
Depreciation													
At April 01, 2017	-	26.48	-	3,009.66	5,100.18	12.35	1,899.15	533.69	464.70	323.12	157.17	2,230.69	13,757.19
Depreciation for the year	-	19.57	-	1,622.23	3,540.88	19.70	1,167.51	354.73	221.02	179.67	99.78	757.41	7,982.50
Disposals / adjustments	-	-	-	6.96	475.62	0.42	1.65	44.81	126.68	68.07	26.42	108.80	859.43
At March 31, 2018	**-**	**46.05**	**-**	**4,624.93**	**8,165.44**	**31.63**	**3,065.01**	**843.61**	**559.04**	**434.72**	**230.53**	**2,879.30**	**20,880.26**
Depreciation for the year	-	20.17	41.56	1,827.51	4,865.51	30.96	1,169.46	379.35	208.29	202.13	105.68	598.38	9,449.00
Disposals / Adjustments	-	-	-	6.28	178.33	-	-	-	9.41	1.52	-	75.97	271.51
Reclassified to Assets held for sale (refer note-iii below)	-	-	-	-	1,817.13	0.83	-	411.70	115.65	-	-	-	2,345.31
At March 31, 2019	**-**	**66.22**	**41.56**	**6,446.16**	**11,035.49**	**61.76**	**4,234.47**	**811.26**	**642.27**	**635.33**	**336.21**	**3,401.71**	**27,712.44**
Net book value													
At March 31, 2019	**28,431.40**	**1,775.99**	**286.55**	**47,957.63**	**273,402.42**	**239.37**	**16,529.00**	**2,040.68**	**571.36**	**453.82**	**878.39**	**1,802.74**	**374,369.35**
At March 31, 2018	**28,226.82**	**1,796.16**	**-**	**36,585.67**	**32,040.28**	**245.43**	**17,698.46**	**2,426.78**	**590.05**	**444.79**	**721.91**	**2,150.36**	**122,926.71**

Note:

(i) Finance Lease: The carrying value of finance lease recognised under leasehold land as at March 31, 2019 was INR 98.26 lakh (March 31, 2018: INR 98.26 lakh) - Refer note 34(C) for additional details.

(ii) Refer note 17 for assets pledged against borrowings.

(iii) The Company has identified certain assets related to AOS plant of Sagar & Dhar (Indore) locations for sale and has classified them as "Assets held for sale". These assets are valued at lower of its carrying value and fair value less costs to sell (refer note-13).

3(b). Capital work-in-progress*

At March 31, 2019	96467.58
At March 31, 2018	269022.23

*Capital work in progress includes pre-operative expenses pending allocation amounting to INR: 12,291.56 lakh (March 31, 2018: INR: 25,631.55 lakh) (refer note-44).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

4. Investment Property

Particulars	Freehold Land	Building	Total
Gross Block (at deemed cost/cost)			
At April 01, 2017	34.67	1,489.75	1,524.42
Additions	-	-	-
Disposal / Adjustments	-	-	-
At March 31, 2018	**34.67**	**1,489.75**	**1,524.42**
Additions	-	-	-
Reclassified to Property, plant and equipment	-	62.97	62.97
At March 31, 2019	**34.67**	**1,426.78**	**1,461.45**
Depreciation			
At April 01, 2017	-	102.91	102.91
Depreciation for the year	-	51.38	51.38
Disposal / Adjustments	-	-	-
At March 31, 2018	**-**	**154.29**	**154.29**
Depreciation for the year	-	51.16	51.16
Disposal / Adjustments	-	-	-
At March 31, 2019	**-**	**205.45**	**205.45**
Net book value			
At March 31, 2019	**34.67**	**1,221.33**	**1,256.00**
At March 31, 2018	**34.67**	**1,335.46**	**1,370.13**

Information regarding income and expenditure of Investment property

Particulars	For the year ended March 31,2019	For the year ended March 31,2018
Rental income derived from investment properties	**27.00**	27.00
Profit arising from investment properties before depreciation	**27.00**	27.00
Less – Depreciation	**51.16**	51.38
Loss arising from investment properties after depreciation	**(24.16)**	(24.38)

As at March 31, 2019 and March 31, 2018, the fair values of the properties are INR 1,739.60 lakh and INR 1,716.76 lakh respectively. These valuations are based on valuations performed by independent valuer.

Reconciliation of fair value:

Particulars	Amount
At April 01, 2017	**1,600.54**
Adjustments	(51.38)
Fair value difference	167.60
At March 31, 2018	**1,716.76**
Adjustments	(51.16)
Fair value difference	74.00
At March 31, 2019	**1,739.60**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Description of valuation techniques used and key inputs for valuation on investment properties:

Particulars	Valuation technique
Land and building situated on Arazi No.2298, 2299, 2300, 2302, 2303, 2305 (M), at Village-Visayakpur, Pargana & Tehsil-Akbarpur, Kanpur Dehat. INR 1,700 per sq. mt. after considering the location, shape & size and local enquiries, the market rate has been considered. Land area - 17,480 Sq. mt. Land Value - INR: 297.16 lakh Building Value- INR: 1,442.44 lakh"	Market Rate

5(a). Intangible assets

Particulars	Software	Technical Know How	Total
Gross Block (at deemed cost/cost)			
At April 01, 2017	343.70	-	343.70
Additions	282.37	-	282.37
Disposal / Adjustments	18.23	-	18.23
At March 31, 2018	**607.84**	**-**	**607.84**
Additions	1,327.14	1,355.34	2,682.48
Disposal / Adjustments	-	-	-
At March 31, 2019	**1,934.98**	**1,355.34**	**3,290.32**
Amortization			
At April 01, 2017	254.03	-	254.03
Amortization for the year	130.98	-	130.98
Disposal / Adjustments	18.23	-	18.23
At March 31, 2018	**366.78**	**-**	**366.78**
Amortization for the year	256.36	11.29	267.65
Disposal / Adjustments	-	-	-
At March 31, 2019	**623.14**	**11.29**	**634.43**
Net book value			
At March 31, 2019	**1,311.84**	**1,344.05**	**2,655.89**
At March 31, 2018	**241.06**	**-**	**241.06**

5(b). Intangible assets under development

At March 31, 2019	-
At March 31, 2018	3,028.54

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

6. Investments

Particulars	Units (in lakh)		Amount	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Non-current				
Investment in subsidiary				
Investments in unquoted equity instruments of subsidiary company (at cost)				
Equity shares of INR 10/- each fully paid-up in RSPL Health Private Limited	**391.55**	349.55	**3,915.52**	3,495.52
Total			**3,915.52**	**3,495.52**
Other investments				
Investment in unquoted equity shares carried at fair value through profit & loss (FVTPL)				
Equity shares of INR 10/- each fully paid-up in Nimmi Build Tech Private Limited	**0.10**	0.10	**1.08**	1.08
Equity shares of INR 10/- each fully paid-up in Leayan Global Private Limited	**0.10**	0.10	**16.93**	16.93
Total			**18.01**	**18.01**

(Amount in INR lakh, unless otherwise stated)

Particulars	Units (in lakh)		Amount	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Current				
Investment carried at fair value through profit and loss (FVTPL)				
Investment in mutual funds (quoted)				
Aditya Birla Sunlife Credit risk fund (formerly known as Birla Sunlife Corporate Bond Fund - Growth Regular)*	**122.11**	122.11	**1,669.10**	1,580.11
DSP Credit Risk Fund (formerly known as DSP Blackrock Income Opportunity Fund)*	**19.43**	19.43	**565.89**	572.45
HDFC Credit risk fund-regular plan (formerly HDFC Corporate Debt opportunity Fund – Regular Growth)	**-**	48.37	**-**	697.08
ICICI prudential medium term bond fund (formerly known as ICICI prudential Corporate Bond Fund - Direct Plan - Growth)*	**20.33**	20.33	**609.40**	574.73

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Particulars	Units (in lakh)		Amount	
	As at March 31, 2019	**As at March 31, 2018**	**As at March 31, 2019**	**As at March 31, 2018**
ICICI Prudential medium term bond fund (formerly known as ICICI Prudential Corporate Bond Fund - Growth)	**-**	25.14	**-**	679.60
ICICI Prudential FMP Series 77 - 1100 Days Plan M Cumulative*	**-**	100.00	**-**	1,270.27
Kotak Credit risk fund (Kotak Income Opportunity Fund - Direct Plan – Growth)*	**28.83**	28.83	**620.89**	578.69
Kotak Credit risk fund-regular (Kotak Income Opportunity Fund - Regular plan - Growth)	**-**	71.98	**-**	1,376.70
Kotak Low Duration Fund - Direct Growth **	**-**	-	**-**	9.75
SBI credit risk fund- Direct plan (SBI Corporate Bond Fund - Direct Plan - Growth)*	**39.92**	39.92	**1,237.03**	1,148.05
SBI Magnum Medium Duration Fund Regular Growth (formerly SBI Regular Savings Fund-Regular plan growth)	**-**	17.04	**-**	514.60
Kotak FMP Series 239 Direct-Growth	**50.00**	-	**525.76**	-
SBI Short Term Debt Fund - Direct Plan*	**59.16**	59.16	**1,303.54**	1,212.93
UTI Corporate Bond Fund - Direct Growth Plan	**50.00**	-	**528.36**	-
UTI Credit risk fund (UTI - Income Opportunity Fund - Direct Plan - Growth)*	**34.41**	42.33	**619.70**	714.73
UTI Credit risk fund (formerly, UTI - Income Opportunity Fund - Direct Plan - Growth)	**-**	65.57	**-**	1,039.16
UTI Fixed Term Income Fund Series XXIX- IX (1109 Days)-Direct Growth Plan Advisor*	**300.00**	-	**3,150.93**	-
UTI Fixed Term Income Fund Series XXII- VI (1098 Days)*	**-**	250.00	**-**	3,248.50
UTI Fixed Term Income Fund Series XXVI- V (1160 Days)	**50.00**	50.00	**583.11**	542.31
Total			**11,413.71**	**15,759.66**
Aggregate amount of unquoted investments			**3,933.53**	3,513.53
Aggregate amount of quoted investments			**11,413.71**	15,759.66
Aggregate market value of quoted investments			**11,413.71**	15,759.66
***Aggregate market value of quoted investments lien marked against borrowings (refer note 17)**			**9,776.48**	10,900.47

**** The absolute units of Mutual Funds are 445 rounded off in lacs to 0.00445.**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

7. Loans (carried at amortised cost)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Unsecured, considered good		
Security deposits	**818.31**	**808.53**
Loan to employees	**155.92**	-
Total	**974.23**	**808.53**
Current		
Unsecured, considered good		
Security deposits	**163.64**	67.40
Loans to related parties* (including interest accrued and due INR: 21.56 lakh, March 31, 2018: INR 22.75 lakh)	**270.04**	271.23
Loans to employees	**143.17**	384.80
Other loans	**53.80**	64.49
Unsecured, considered doubtful		
Other loans and advances	**32.74**	32.74
Security deposits	**10.38**	-
	673.77	820.66
Less: Provision for doubtful loans	**(43.12)**	(32.74)
Total	**630.65**	**787.92**

* The Company has given loan to its wholly owned subsidiary "RSPL Health Private Limited" and the rate of Interest charged was based on average interest rate being 8.50% for the year March 31, 2019 (March 31, 2018: 8.35%).

8. Other financial assets

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Unsecured, considered good		
Carried at fair value through profit and loss		
Derivative assets*	**529.28**	20.00
Carried at amortised cost		
Deposits with maturity for more than 12 months	**24.16**	23.01
Margin money deposit with bank	**20.30**	18.43
Interest accrued on fixed deposits and margin money deposit	**7.58**	7.32
Total	**581.32**	**68.76**
Current		
Unsecured, considered good		
Carried at fair value through profit and loss		
Derivative assets*	**474.97**	316.26
Carried at amortised cost		
Interest accrued	**104.30**	2.88
Receivable from related parties	**1,005.18**	-
Unbilled revenue	**255.99**	-
Others	**679.94**	650.44
Total	**2,520.38**	**969.58**

* Derivative instruments carried at fair value through profit or loss reflect the positive change in fair value of those cross currency interest rate swaps, currency options and interest rate swaps that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for external currency borrowings. The increase in the fair value has been recognised in other income. These has been classified into current and non-current in the same ratio as the underlying borrowings.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

9. Other assets

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Capital advances		
Unsecured, considered good	**1,557.09**	2,768.90
Unsecured, considered doubtful	**571.06**	571.06
	2,128.15	3,339.96
Less: Allowance for doubtful advances	**(571.06)**	(571.06)
	1,557.09	2,768.90
Prepaid expenses	**1,405.14**	1,472.77
Balance with government authorities		
Unsecured, considered good	**23,265.28**	17,611.29
Unsecured, considered doubtful	**1.54**	1.54
	23,266.82	17,612.83
Less : Allowance for doubtful advances	**(1.54)**	(1.54)
	23,265.28	17,611.29
Subsidy receivable (refer note 32(f))		
Unsecured, considered good	**30,271.45**	41,657.00
Other advances		
Unsecured, considered doubtful	**123.75**	123.75
	123.75	123.75
Less: Allowances for doubtful advances	**(123.75)**	(123.75)
	-	-
Total	**56,498.96**	**63,509.96**
Current		
Prepaid expenses	**717.98**	816.75
Balance with government authorities	**16,119.20**	13,257.44
Advance to suppliers		
Unsecured, considered good	**2,263.24**	1,323.57
Unsecured, considered doubtful	**298.11**	248.08
	2,561.35	1,571.65
Less: Allowances for doubtful advances	**(298.11)**	(248.08)
	2,263.24	1,323.57
Total	**19,100.42**	**15,397.76**

10. Inventories (at lower of cost or net realisable value)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw material and packing material (Includes goods in transit March 31, 2019: INR 2,179.88 Lakh, March 31, 2018: INR 4,450.93 Lakh)	**34,980.17**	35,546.21
Work in progress (Includes goods in transit March 31, 2019: INR Nil, March 31, 2018: INR 115.75 Lakh)	**9,268.27**	7,073.29
Finished goods (Includes goods in transit March 31, 2019: INR 3,790.30 Lakh, March 31, 2018: INR 2,575.66 Lakh)	**13,390.67**	11,028.87
Stores and spares	**4,002.32**	3,356.08
Others	**103.37**	208.16
Total	**61,744.80**	**57,212.61**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

11. Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Receivable from related parties		
Unsecured, considered good (refer Note-35)	**933.05**	1562.79
Receivable from others		
Unsecured, considered good	**1,964.13**	1,618.14
Unsecured, considered doubtful	**81.35**	105.56
	2,978.53	3,286.49
Less: Allowance for doubtful receivables	**(81.35)**	(105.56)
Total	**2,897.18**	**3,180.93**

12(a). Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Cash on hand	**68.34**	73.62
Balances with banks:		
On current accounts	**2,027.10**	2,568.71
Deposits with original maturity of less than three months*	**7,211.03**	1.10
Total	**9,306.47**	**2,643.43**

* This amount can be utilised only for capital payments related to Greenfield Soda Ash project.

12(b). Other bank balances

Particulars	As at March 31, 2019	As at March 31, 2018
Deposits with original maturity for more than 3 months but upto 12 months	**18.70**	17.58
Total	**18.70**	**17.58**
For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:		
Cash and cash equivalents as per balance sheet	**9306.47**	2643.43
Total	**9306.47**	**2643.43**

13. Assets Classified as held for sale [refer note 3(a)(iii)]

Particulars	As at March 31, 2019	As at March 31, 2018
Plant & Machinery	**929.65**	-
Lab equipment	**0.10**	-
Electrical installation and fittings	**130.62**	-
Office equipment	**6.09**	-
Computers	**-**	-
Total	**1,066.46**	**-**

14(a). Income tax assets (net)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance tax (net of Provision for income tax)	**2,215.17**	2,407.70
Total	**2,215.17**	**2,407.70**

14(b). Current tax liabilities (net)

Particulars	As at March 31, 2019	As at March 31, 2018
Current income tax liabilities (net of advances)	**1,195.26**	-
Total	**1,195.26**	**-**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

15. Equity share capital

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised share capital		
450.00 lakh (March 31, 2018: 450.00 lakh) equity shares of INR 10 each	**4,500.00**	4,500.00
Issued, subscribed and fully paid equity share capital		
440.33 lakh (March 31, 2018: 440.33 lakh) equity shares of INR 10 each	**4,403.25**	4,403.25
Total	**4,403.25**	**4,403.25**

(i) Reconciliation of authorised share capital as at year end

Particulars	No of shares	Amount
At April 01, 2017	45000000	4,500.00
Changes during the year	-	-
At March 31, 2018	**45000000**	**4,500.00**
Changes during the year	-	-
At March 31, 2019	**45000000**	**4,500.00**

(ii) Reconciliation of issued, subscribed and fully paid up share capital as at year end

Particulars	No of shares	Amount
At April 01, 2017	44032500	4,403.25
Changes during the year	-	-
At March 31, 2018	**44032500**	**4,403.25**
Changes during the year	-	-
At March 31, 2019	**44032500**	**4,403.25**

(iii) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

During the year ended March 31, 2019, the amount of per share dividend recognised as distributions to equity shareholder was INR 5 (March 31, 2018: INR 16).

In the event of liquidation of the Company, the holders of equity shares shall be entitled to be repaid the amount of capital paid up or credited as paid up on such equity shares and all surplus assets thereafter shall belong to the holders of equity shares in proportion to the amount paid up or credited as paid up on equity shares respectively at the commencement of the winding up.

(iv) Details of shareholders holding more than 5% shares in the Company -

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Shri Murli Dhar	**11610000**	**26.37%**	11610000	26.37%
Shri Bimal Kumar	**11008000**	**25.00%**	11008000	25.00%
Shri Manoj Kumar	**6605000**	**15.00%**	6605000	15.00%
Shri Rahul Gyanchandani	**6605000**	**15.00%**	6605000	15.00%
Shri Rohit Gyanchandani	**6605000**	**15.00%**	6605000	15.00%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

(v) Details of dividend declared and paid during the year

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Final dividend for 2016-17 : INR 6 per share	-	2,641.95
Dividend distribution tax @ 20.358%	-	537.84
Interim dividend for 2017-18 : INR 10 per share	-	4,403.25
Dividend distribution tax @ 20.555%	-	896.40
Interim dividend for 2018-19 : INR 5 per share	**2,201.63**	-
Dividend distribution tax @ 20.555%	**452.55**	-
Total	**2,654.18**	**8,479.44**

16. Other Equity

Particulars	Reserves and Surplus				Total
	Amalgamation reserve*	General reserve	Debenture redemption reserve**	Retained earnings	
At April 01, 2017	**33.86**	**28,728.09**	**231.51**	**137,087.27**	**166,080.73**
Profit for the year	-	-	-	26,931.04	26,931.04
Other Comprehensive Income (refer Note-30)					
Re-measurement losses on defined benefit plans	-	-	-	748.36	748.36
Income tax effect on above	-	-	-	(258.99)	(258.99)
Dividend paid during the year	-	-	-	(7,045.20)	(7,045.20)
Dividend distribution tax	-	-	-	(1,434.24)	(1,434.24)
Transfer to debenture redemption reserve	-	-	499.73	(499.73)	-
At March 31, 2018	**33.86**	**28,728.09**	**731.24**	**155,528.51**	**185,021.70**
Profit for the year	-	-	-	25,226.19	25,226.19
Other Comprehensive Income					
Re-measurement gains on defined benefit plans	-	-	-	145.77	145.77
Income tax effect on above	-	-	-	(50.94)	(50.94)
Dividends paid during the year	-	-	-	(2,201.63)	(2,201.63)
Dividend distribution tax	-	-	-	(452.55)	(452.55)
Transfer to debenture redemption reserve	-	-	499.73	(499.73)	-
At March 31, 2019	**33.86**	**28,728.09**	**1,230.97**	**177,695.62**	**207,688.54**

* Amalgamation reserve is arising as a result of scheme of merger of Ghari Industries Private Limited and Rohit Surfactant Private Limited (now RSPL Limited) effective from April 1, 2006.

** The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share Capital and debentures) Amendment Rules, 2015, requires the company to create debenture redemption reserve (DRR) out of the profits of the Company available for payment of dividend. The adequacy of debenture redemption reserve (DRR) will be 25% of the value of outstanding debentures. Accordingly an amount of INR 499.73 lakh has been transferred to debenture redemption reserve (DRR) for the year ended March 31, 2019 (March 31, 2018: INR 499.73 lakh).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

17. Borrowings (at amortised cost)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Secured		
Debentures		
9.20% non-convertible debentures (refer note 43)	**20,000.00**	20,000.00
Term loan from banks		
Foreign currency loans	**16,457.14**	24,408.48
Indian rupee loans	**219,634.08**	140,105.57
	236,091.22	164,514.05
Unsecured		
Finance lease obligation (refer note 34(C))	**98.26**	98.26
Current maturities of long-term borrowings (refer note-21)		
Foreign currency loans from banks	**(6,765.78)**	(8,961.26)
Indian rupee loans from banks	**(7,144.44)**	(6,458.33)
	(13,910.22)	(15,419.59)
Total	**242,279.26**	**169,192.72**
Current		
Secured		
Cash credit from banks	**7,635.31**	12,894.94
Bank overdraft	**2,546.90**	9,942.66
Working capital demand loan	**6,400.00**	7,500.00
	16,582.21	30,337.60
Unsecured		
Commercial papers	**19,796.23**	-
Buyers credit	**1,575.05**	-
Working capital short term loan	**-**	9,000.00
Loans from directors and their relatives	**2,194.15**	1,351.28
	23,565.43	10,351.28
Total	**40,147.64**	**40,688.88**
Aggregate value of secured loans	**258,763.21**	199,432.06
Aggregate value of unsecured loans	**23,663.69**	10,449.54

Terms of borrowings:

Debentures

The Company issued non-convertible debentures (NCDs) on October 14, 2016. These NCDs have been listed on National stock exchange (NSE). It carries interest rate of 9.20% per annum and redeemable after 10 years. These Debentures are secured by all the movable and immovable properties situated at the following locations:

i) Wind mills power projects of the Company situated at Barora Ganv, Taluk Jaisalmer, District Jaisalmer, Rajasthan.

ii) Wind mills situated at Jirkan village, post - Badvan district Mandsaur and Jagoti village, Tehsil Mehidpur, District Ujjain, Madhya pradesh.

iii) Plot no. 42-46 and 49-53, MPAKVN Growth centre, Sidhgawan, Sagar, Madhya Pradesh.

iv) Village and post - Bithauli, P.S. Bhagwanpur, District - Vaishali, Bihar

Foreign currency loan from banks

For foreign currency loan from banks, mentioned in point (a) and (b) below, the Company has also entered into currency options and Interest rate swap agreement whereby the Company receives applicable floating rate of interest and pays interest at a fixed rate. The swap is being used to hedge the exposure to changes in the fair value of its floating rate external commercial borrowing and currency option is being used to convert loan at a strike rate upto a cap limit.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

a) Foreign currency loan taken from Standard Chartered bank of USD 64.70 lakh (outstanding as on March 31, 2019: USD 53.28 lakh, March 31, 2018: 64.70 lakh) taken on July 14, 2017, carrying interest @ LIBOR plus 1.50% as per the terms of loan agreement. The loan is repayable in 17 quarterly instalments of USD 3.81 lakh each, commencing from July 12, 2018.

Foreign currency loan taken from Standard Chartered bank of USD 135.29 lakh (outstanding as on March 31, 2019: USD 79.58 lakh, March 31, 2018: USD 111.42 lakh) taken on September 30, 2016, carries interest @ LIBOR plus 1.50% per the terms of loan agreement. The loan is repayable in 17 quarterly instalments of USD 7.96 lakh each, commencing from September 29, 2017.

These loans are secured by:-

First and exclusive charge by way of equitable mortgage of the immovable properties, all movable fixed assets and all plant & machinery attached to the earth at following locations:

(i) Plot No. 3A 6 & 7, Industrial Area, IIE BHEL, Sector 3, Ranipur, Haridwar district, Uttaranchal.

(ii) Plot No. 4, Udyog Vihar, Ecotech - 02, Greater Noida Industrial Development Area, District - Gautam Budh Nagar, UP.

First and exclusive charge of all movable fixed assets at following locations:

(i) Site - Sammana, village - Naga gaon, kalavad, District - Jamnagar, Gujarat

b) Foreign currency loan taken from Citi bank of USD 140.00 lakh (outstanding as on March 31, 2019: USD 87.50 lakh, March 31, 2018: USD 122.50 lakh) taken on July 29, 2016, carrying interest @ LIBOR plus 1.20% as per the terms of loan agreement. The loan is repayable in 16 quarterly instalments of USD 8.75 lakh each, commencing from November 30, 2017.

Foreign currency loan taken from Citi bank of USD 200.00 lakh (outstanding as on March 31, 2019: USD 14.50 lakh, March 31, 2018: USD 72.50 lakh) taken on May 27, 2014, carries interest @ LIBOR plus 1.85% as per the terms of loan agreement. The loan is repayable in 4 quarterly instalments of USD 6.50 lakh each, commencing from August 27, 2015, and 12 quarterly instalments of USD 14.50 lakh each, commencing from August 27, 2016.

These loans are secured by:

(i) First exclusive charge by way of equitable mortgage on land & building located at
    1. Factories - Unit 1 to Unit IV in Dhar,
    2. Factory at Aurangabad
    3. Factories at Dev Bhoomi industrial estate, Roorkee, Haridwar
    4. Factories at Rania, Kanpur, Uttar Pradesh

(ii) Exclusive charge on company's plant & machinery at:
    1. Factories - Unit 1 to Unit IV in Dhar,
    2. Factory at Aurangabad
    3. Factories at Dev Bhoomi industrial estate, Roorkee, Haridwar
    4. Factories at Rania, Kanpur, Uttar Pradesh
    5. Wind farm located at Tamil Nadu

Indian rupee term loan

a). Indian Rupee loan from State Bank of India of INR 10,000.00 lakh (outstanding as on March 31, 2019: INR 1,999.68 lakh, March 31, 2018: INR 4,499.68 lakh), carries interest @ Base Rate plus 0.55%. The loan is repayable in 14 quarterly instalments of INR 500.00 lakh each, commencing from September 30, 2015, and 3 quarterly instalments of INR 1,000.00 lakh each, commencing from March 31, 2019. The loan is secured by collateral security having written down value of fixed assets at least 125% of loan amount instead of extension of charge on assets created out of the loan amount. Also, personal guarantees are given by Mr. Bimal Kumar (Managing Director) and Mr. Murli Dhar (Executive Chairman).

b). Indian Rupee loan from State Bank of India of INR 2,500.00 lakh (outstanding as on March 31, 2019: INR 959.12 lakh, March 31, 2018: INR 1,459.95 lakh), carries interest @ Base Rate plus 0.55%. The loan is repayable in 20 quarterly instalments of INR 125.00 lakh each, commencing from June 30, 2017. The loan is secured by first charge on fixed assets (present or future) at Plot no. E-5, Site - V, UPSIDC, Greater Noida, owned by the Company. Also, personal guarantees are given by Mr. Bimal Kumar (Managing Director) and Mr. Murli Dhar (Executive Chairman).

c). Indian Rupee loan from Yes bank of INR 20,000.00 lakh (outstanding as on March 31, 2019: INR 16,666.67 lakh, March 31, 2018: 20,000.00), carries interest @ 3 months MCLR. The loan is repayable in 18 quarterly instalments of INR 1,111.11 lakh each, commencing from September 29, 2018. The loan is secured by subservient charge on all the

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

current assets and movable fixed assets (both present and future) of the Company except assets of Soda ash plant.

d). Indian Rupee loan outstanding as on March 31, 2019: INR 199,158.75 lakh (March 31, 2018: INR 114,145.94 lakh) for Soda Ash project from consortium of banks led by State Bank of India carries interest rate @ MCLR plus spread ranged between 0.00% to 0.60%. During the year ended March 31, 2019, interest rate ranged between 8.50% to 9.00%. The loan is repayable in 52 quarterly instalments commencing from January 01, 2021. The loan is secured by a first pari passu charge on the following:

1. On the entire immovable properties such as the land and building and structures pertaining to the Project both present and future;
2. On all the entire movable Fixed Assets of the Project, both present and future;
3. On all revenues / receivables accruing to the Project and the Trust and Retention Account, and
4. All investments made out of any proceeds lying in the Trust and Retention Accounts, DSR Account.
5. Cash flows of the Borrower to the extent of the deemed Cash Flows of the Proiect as per the business plan.
6. Charge by way of hypothecation / assignment by way of security of all rights, titles and interests of the borrower into and under all project documents, other agreements and contracts (including insurance contracts), permits and approvals relating to the Project, to which the borrower is a party and which can be legally assigned;

e). Indian Rupee loan Sanctioned of INR 1,200.00 lakh and draw down of INR 849.92 lakh (outstanding as on March 31, 2019: INR 849.92 lakh) for Sanitary Napkin project from State Bank of India carries interest rate @ MCLR plus spread of 0.60%. During the year ended March 31, 2019, interest rate ranged between 8.75% to 9.75%. The loan is repayable in 24 quarterly instalments commencing from June 30, 2019. The loan is secured by a first pari passu charge on the following:

1. On the entire Current assets present and future;
2. On all the entire movable Fixed Assets of the Project, both present and future;
3. On all revenues / receivables accruing to the Project and the Trust and Retention Account, and
4. All investments made out of any proceeds lying in the Trust and Retention Accounts, DSR Account.
5. Cash flows of the Borrower to the extent of the deemed Cash Flows of the Proiect as per the business plan.
6. Charge by way of hypothecation / assignment by way of security of all rights, titles and interests of the borrower into and under all project documents, other agreements and contracts (including insurance contracts), permits and approvals relating to the Project, to which the borrower is a party and which can be legally assigned;

Cash credit, Working capital demand and short term loan

The Company has availed cash credit facility, working capital demand and short term loan facility from various banks of INR 14,035.31 lakh (March 31, 2018: INR 29,394.94 lakh) and they carry interest rate ranging from 7.75% p.a to 9.15% p.a. These loans are secured by first charge on pari passu basis with multiple banking arrangement over entire current assets (present and future) of the company consisting of raw material, stock in process, finished goods, stores & spares, goods in transit, book debts and all other current assets.

Bank Overdraft

The Company has availed overdraft facilities from various banks of INR 2,546.90 lakh (March 31, 2018: INR 9,942.66 lakh) and they carry interest rate ranging from 8.00% p.a to 13.0% p.a.

The Overdraft facilities from Standard Chartered Bank and Yes Bank are secured by First charge on pari passu basis with multiple banking arrangement over entire current assets (present and future) of the company consisting of raw material, stock in process, finished goods, stores & spares, goods in transit, book debts and all other current assets The overdraft facilities from HDFC Bank are secured by pledge of investments:-

1- Aditya Birla Sunlife Credit risk fund (formerly known as Birla Sunlife Corporate Bond Fund - Growth Regular) Units - 59.50 Lakhs.

2- Aditya Birla Sunlife Credit risk fund (formerly known as Birla Sunlife Corporate Bond Fund - Growth Regular) Units- 62.61 Lakhs.

3- DSP Credit Risk Fund (formerly known as DSP Blackrock Income Opportunity Fund) Units - 19.43 lakhs.

4- ICICI prudential medium term bond fund (formerly known as ICICI prudential Corporate Bond Fund - Direct Plan - Growth) Units - 20.33 Lakhs.

5- Kotak Credit risk fund (Kotak Income Opportunity Fund - Direct Plan – Growth) Units- 28.83 Lakhs.

6- SBI credit risk fund- Direct plan (SBI Corporate Bond Fund - Direct Plan - Growth) Units - 39.92 Lakhs.

7- UTI Credit risk fund (UTI - Income Opportunity Fund - Direct Plan - Growth) Units - 34.41 Lakhs.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

8- UTI Fixed Term Income Fund Series XXIX- IX (1109 Days)-Direct Growth Plan Advisor Units 300.00 Lakhs.

The overdraft facilities from SBI Bank are secured by pledge of investments SBI Short Term Debt Fund - Direct Plan 59.16 lakhs Units.

Loans from directors and their relatives

The Company has taken loan from directors and their relatives amounting to INR 2,194.15 lakh as on March 31, 2019 (March 31, 2018: INR 1,351.28 lakh) bearing interest rate of 7.50% p.a. (March 31, 2018: 9.00% p.a.). The loan is unsecured in nature and is repayable on demand.

Buyers Credit

The Company has taken buyers credit facility from a bank amounting to INR 1,575.05 lakh as on March 31, 2019 (March 31, 2018: INR Nil) bearing interest rate of 3.41% p.a. and the same is unsecured in nature repayable on June 21, 2019.

Commercial Papers

The Company has issued commercial papers (unsecured) during the year to Banking institutions and mutual fund companies and carrying value as at March 31 2019 is INR 19,796.23 lakh (March 31, 2018 Nil), bearing interest rate of 7.65% and 7.90% p.a. respectively. The commercial papers are repayable by May 24, 2019.

18. Provisions

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Provision for employee benefits		
Provision for gratuity (refer note 33)	**2,027.07**	1,628.68
Provision for leave benefits	**657.27**	655.65
Total	**2,684.34**	**2,284.33**
Current		
Provision for employee benefits		
Provision for leave benefits	**312.80**	209.23
Other provisions		
Provision for contingencies** (refer note-43)	**73.92**	44.35
Provision for wealth tax	**-**	8.50
Total	**386.72**	**262.08**

****Movement in provisions**

Particulars	Provision for contingencies	Provision for wealth tax
At April 01, 2017	**10.50**	**8.50**
Movement during the year	**33.85**	-
At March 31, 2018	**44.35**	**8.50**
Movement during the year	**29.57**	(8.50)
At March 31, 2019	**73.92**	**-**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

19. Income Tax

The Deferred Tax as reported in Balance Sheet as at March 31, 2019 and March 31, 2018 are:

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liabilities (net)	**11,619.85**	7,707.65
Total	**11,619.85**	**7,707.65**

Statement of profit and loss:

Profit or loss section

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax	**8,357.42**	10,454.00
Adjustment of tax related to earlier periods	**-**	(489.73)
Deferred tax	**3,861.26**	2,481.69
Income tax expense reported in the statement of profit or loss	**12,218.68**	**12,445.96**

OCI section

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax related to items recognised in OCI during in the year:		
Net (gain) / loss on remeasurements of defined benefit plans	**50.94**	258.99
Income tax charged to OCI	**50.94**	**258.99**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Accounting profit before income tax	**37,444.87**	39,377.00
At India's statutory effective income tax rate of 34.944% (March 31, 2018: 34.944%)	**13,084.74**	13,627.59
Adjustments:		
Impact of permanent difference on account of following:		
Expenses not allowed under Income tax act	**370.32**	248.12
Income not taxable under Income tax act	**(2.39)**	(701.87)
Tax incentives given under Income tax act	**(1,472.69)**	(312.26)
Effect of higher tax rate	**-**	74.11
Tax matters related to earlier periods	**-**	(489.73)
Others	**238.70**	-
At the effective income tax rate of 32.63% (March 31, 2018: 31.61%)	**12,218.68**	**12,445.96**
Income tax expense reported in the statement of profit and loss	**12,218.68**	**12,445.96**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Deferred tax:

Particulars	Balance Sheet	
	As at March 31, 2019	As at March 31, 2018
Deferred tax liability on:		
Accelerated depreciation for tax purposes	**(23,732.62)**	(9,246.95)
Subsidy from Government	**(12.85)**	-
Fair value adjustments of investments	**(472.68)**	(666.20)
	(24,218.15)	(9,913.15)
Deferred tax asset on:		
Post-employment benefits	**1,015.58**	871.35
Subsidy from Government	**-**	256.97
Expenses allowable for tax purposes on payment basis	**566.39**	596.58
Provision for doubtful debts and advances	**391.00**	378.35
Unabsorbed Depreciation and business losses	**2,635.99**	-
MAT credit	**7,929.18**	-
Others	**60.16**	102.25
	12,598.30	2,205.50
Net deferred tax (liabilities)	**(11,619.85)**	**(7,707.65)**

Particulars	Statement of profit and loss	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax relates to the following:		
Accelerated depreciation for tax purposes	**(14,485.67)**	(1,869.20)
Post-employment benefits	**144.23**	(66.89)
Expenses allowable for tax purposes on payment basis	**20.74**	(404.80)
Subsidy from Government	**(269.82)**	(880.48)
Fair value adjustments of Investments	**193.53**	108.19
Provision for doubtful debts	**12.65**	(17.49)
MAT credit	**7,929.18**	-
Unabsorbed Depreciation and business losses	**2,635.99**	-
Others	**(42.09)**	389.99
Net deferred tax (charge)	**(3,861.26)**	**(2,740.68)**

Reconciliation of deferred tax liabilities (net):

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance	**(7,707.65)**	(4,966.97)
Tax (expense) during the year recognised in profit or loss	**(3,861.26)**	(2,481.69)
Tax (expense) during the year recognised in OCI	**(50.94)**	(258.99)
Closing balance	**(11,619.85)**	**(7,707.65)**

Pursuant to The Taxation Laws (Amendment) Ordinance, 2019 (Ordinance) issued subsequent to the balance sheet date, the domestic companies have been given an option to pay income tax at the rate of 22% plus applicable surcharge and cess from the financial year 2019-20 onwards subject to the condition that they will not avail any other exemption/ incentive.

In view of unabsorbed depreciation, tax losses and accumulated MAT credit, the Company is evaluating the above option and impact thereof, if any, will be adjusted in the year in which the option will be exercised.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

20. Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of micro enterprises and small enterprises	**2,700.94**	542.79
Total outstanding dues of creditors other than micro enterprises and small enterprises	**36,138.73**	41,006.96
Total	**38,839.67**	**41,549.75**

Note: Refer note 41 for disclosures under Micro, Small and Medium Enterprises Development Act, 2006.

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30 to 60 days terms except partial advance payment to major raw material vendors.

For terms and conditions with related parties, refer to Note 35 (C).

For explanations on the Company's credit risk management processes, refer to Note 39.

21. Other financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Current maturities of long term loans (refer note 17)	**13,910.22**	15,419.59
Payables on purchase of fixed assets	**32,349.32**	34,399.43
Security deposit received	**2.00**	-
Interest accrued but not due on borrowings	**2,037.20**	1,724.32
Employee benefit payable	**4,753.84**	4,809.48
Book overdraft	**12.27**	25.18
Total	**53,064.85**	**56,378.00**

Terms and conditions of the above financial liabilities:

Payable to capital creditors are non-interest bearing and are settled as per the terms of purchase orders.

For explanations on the Company's credit risk management processes, refer to Note 39.

22. Other liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Deferred subsidy related to government grant** [refer note 32(f)]	**26,902.48**	40,954.34
Others	**916.79**	883.97
Total	**27,819.27**	**41,838.31**
Current		
Advance from dealers*	**9,844.49**	8,881.61
Deferred subsidy related to government grant** [refer note 32(f)]	**3,332.21**	1,438.05
Statutory liabilities	**4,345.45**	3,220.29
Total	**17522.15**	**13539.95**

* Represents non-interest bearing advances received from customers.

**Movement of Government Grant

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance	**42,392.39**	9,621.47
Sanctioned during the year	**-**	36,431.13
Remaining eligibility	**-**	-
Released to the statement of profit and loss	**1,420.38**	3,660.21
Adjustment on account of re-assessment [refer note 32(f)]	**10,737.32**	-
Closing balance	**30,234.69**	**42,392.39**
Current	**3,332.21**	1,438.05
Non-current	**26,902.48**	40,954.34

23 Revenue from operations

(a). Revenue from Contracts with customers

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from Contracts with Customers		
Sale of products*		
Finished goods	**443,672.01**	440,369.42
Total Revenue from Contracts with Customers	**443,672.01**	**440,369.42**

* Excise duty collected from customers included in sale of products amounted to INR Nil (March 31, 2018: INR 9,020.02 lakh). Sales of product net of excise duty is INR 443,672.01 lakh (March 31, 2018: INR 431,349.40 lakh). Refer note- 46.

(b). Other operating revenue

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of raw material / by-products	**3,195.07**	2,624.71
Sale of power	**3,655.70**	3,670.23
Sale of others	**1,431.16**	1,303.61
Total Other operating revenue	**8,281.93**	7,598.55
Total Revenue from operations (a+b)	**451,953.94**	**447,967.97**

Disaggregation of revenue from contract with customers:

The Company derives revenue from the transfer of goods at a point in time in the following major product lines and geographical regions:

Segements	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue by Geography:		
Domestic	**451,462.14**	447,561.37
Overseas	**491.80**	406.60
Total revenue from contract with customers	**451,953.94**	**447,967.97**
Timing of revenue recognition		
At a point in time	**451,953.94**	447,967.97
Total revenue from contract with customers	**451,953.94**	**447,967.97**
Revenue		
External Customer	**451,953.94**	451,953.94
Inter-segment revenue	**-**	-
Inter-segment adjustments/eliminations	**-**	-
Total revenue from contract with customers	**451,953.94**	**451,953.94**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

24. Other income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income on financial assets carried at amortised cost:		
Bank deposits	**55.64**	46.39
Loan to subsidiary	**41.76**	27.74
Others	**43.48**	38.60
	140.88	112.73
Net gain on instruments at fair value through profit and loss		
Fair value gain on investments	**623.47**	918.35
Profit on sale of investments	**106.14**	345.84
Fair value gain on derivative instruments	**668.00**	42.79
	1,397.61	1,306.98
Others - Non operating revenue		
Profit on sale of property, plant and equipments (net)	**-**	493.16
Government grant	**1,420.38**	3,677.59
Foreign exchange fluctuation (net)	**18.42**	1,752.25
Liabilities no longer required written back	**929.33**	227.79
Miscellaneous Income	**521.27**	383.80
	2,889.40	6,534.59
Total	**4,427.89**	**7,954.30**

25. Cost of materials consumed

a. Raw material consumed

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventory at the beginning of the year	**35,546.21**	36,721.45
Add: Purchases	**302,737.31**	289,322.91
	338,283.52	326,044.36
Less: Inventory at the end of the year	**(34,980.17)**	(35,546.21)
Net consumption	**303,303.35**	**290,498.15**

b. Change in inventories of finished goods, work-in-progress and others

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventory at the end of the year		
Finished goods	**13,390.67**	11,028.87
Work in progress*	**9,335.47**	7,073.29
Others	**103.37**	208.16
Inventory at the beginning of the year		
Finished goods	**11,028.87**	16,429.19
Work in progress	**7,073.29**	7,264.85
Others	**208.16**	681.64
Net (increase)/decrease	**(4,519.19)**	**6,065.36**

* Includes INR 67.21 lakh (March 31, 2018: INR: Nil) produced from the trial run of Soda ash plant.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

26. Employee benefits expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, wages and bonus	**30,215.46**	28,400.19
Contribution to provident fund and other funds (refer note 33)	**1,937.44**	1,927.69
Gratuity expense (refer note 33)	**561.20**	775.41
Staff welfare expenses	**663.54**	745.25
Total	**33,377.64**	**31,848.54**

27. Depreciation and amortization expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on property, plant and equipment [refer note 3 (a)]	**9,449.00**	7,982.50
Depreciation on investment property (refer note 4)	**51.16**	51.38
Amortisation on intangible assets [refer note 5 (a)]	**267.65**	130.98
Total	**9,767.81**	**8,164.86**

28. Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Power and fuel	**9,392.61**	7,756.82
Rent	**1,149.80**	994.44
Rates and taxes	**612.85**	1,041.14
Insurance	**362.66**	356.15
Repairs and maintenance		
Plant and machinery	**8,584.51**	8,167.86
Buildings	**1,032.31**	483.06
Others	**163.61**	384.93
CSR expenditure (refer details below)	**1,018.74**	496.12
Donations	**29.60**	249.72
Advertisement	**17,222.54**	14,448.27
Sales promotion	**3,459.39**	3,722.79
Contract labour	**4,954.63**	3,986.78
Freight and forwarding charges	**13,311.27**	12,650.14
Travelling and conveyance	**4,414.82**	3,723.17
Postage, telegram and telephone	**555.62**	470.42
Printing and stationery	**119.90**	300.48
Legal and professional fees	**931.65**	1,328.14
Payment to auditor (refer details below)	**169.05**	171.42
Balances written off	**5.51**	2,395.15
Provision for doubtful loans and advances	**36.21**	304.95
Provision for contingencies	**29.57**	-
Royalty	**906.87**	767.35
Property, plant and equipment written off	**6.15**	780.60
Loss on sale property, plant and equipment (net)	**69.23**	-
Miscellaneous expenses	**646.93**	425.52
Total	**69,186.03**	**65,405.42**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Payment to auditors:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
As auditor:		
Audit fee*	**117.00**	135.00
Limited review	**40.00**	25.00
In other capacity		
For other services	**-**	2.00
For reimbursement of expenses	**12.05**	9.42
	169.05	171.42

*Fees for year ended March 31, 2019 includes INR 10.00 lakh of audit fee for the year ended March 31, 2018. Fees for year ended March 31, 2018 includes INR 20.00 lakh of audit fee for the year ended March 31, 2017.

Details of CSR expenditure:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Gross amount required to be spent by the Company during the year	**942.32**	877.94
Particulars	**In Cash**	**In Cash**
Amount spent during the year		
(i) Construction/acquisition of asset	**107.68**	183.19
(ii) on purposes other than (i) above (refer note 35B)	**911.06**	312.93
(Amount excess spent)/ amount required to be spent	**(76.42)**	381.82

29. Finance costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest expense		
on bank borrowings	**7,236.42**	5,274.59
to directors and their relatives	**223.43**	85.44
to others	**163.40**	15.70
Other finance charges	**198.07**	167.19
Total	**7,821.32**	**5,542.92**

The above does not include interest on borrowings amounting to INR: 17,070.22 lakh (March 31, 2018: INR: 8,103.86 lakh) capitalised as borrowing cost on the qualifying assets. Refer note -44.

30. Components of other comprehensive income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Re-measurement gain on defined benefit plans	**(145.77)**	(748.36)
Income tax effect	**50.94**	258.99
Total	**(94.83)**	**(489.37)**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

31. Earnings per share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations :

(Amount in INR lakh, unless otherwise stated)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit attributable to equity holders of the Company	**25,226.19**	26,931.04
Weighted average number of equity shares used for computing Earning Per Share (Basic and Diluted)	**44,032,500.00**	44,032,500.00
Basic and Diluted Earning Per Share (INR)	**57.29**	**61.16**
Face value per share (INR)	**10.00**	**10.00**

Reconciliation of weighted average number of equity shares for calculation of Basic and Diluted earnings per share:

Particulars	Number of equity shares	Weighted average number of shares
Equity shares of face value of INR 10 per share:		
As at April 01, 2017	**44032500**	**44032500**
Issued during the year	**0**	0
As at March 31, 2018	**44032500**	**44032500**
Issued during the year	**0**	0
As at March 31, 2019	**44032500**	**44032500**

32. Significant accounting Judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make Judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgement

In the process of applying the Company's accounting policies, management has made the following Judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Operating lease commitments – Company as a lessee

The Company has entered into lease agreements with lessor and has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it does not retains the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases. Also pursuant to requirements of Ind-AS 17, Company has assessed straight lining of lease rentals where the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. However, no adjustments has been done based on such assessment.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimate uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

b) Taxes (including Deferred taxes on MAT credit and carried forward losses)

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management Judgement 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.

c) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds with term that correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity is given in Note 33.

d) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of Judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 37 and 38 for further disclosures.

e) Impairment of financials assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Company uses Judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting year.

f) Government grant- Subsidy receivable

Pursuant to the "Bihar Industrial Incentive policy -2011", with regard to the Company's investment in plant and machinery and certain other assets in the state of Bihar upto June 30, 2016, the Company is entitled to receive a reimbursement of 80% of net Value Added Tax (VAT) paid by the Company within a period of 10 years from the date of the eligibility certificate and upto 300% of the total investment in plant and machinery and certain other assets.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Post implementation of Goods and service tax (GST) with effect from July 1, 2017, the VAT/CST acts have been repealed. However, the government of Bihar has not issued any clarification with regard to the applicability of the above incentive scheme. The Bihar Industries Association (BIA) of which company is a part, has filed a writ with the Hon'ble Patna High Court in respect of the Government of Bihar to issue relevant circular on the application of above scheme under GST Act.

Based upon the discussion with BIA, the management is confident that the writ petition will be decided in favour of the industries Association, without any modification to the earlier incentive scheme as mentioned above.

Accordingly, the Company has estimated the quantum of sales within the state of Bihar over the balance period and consequential SGST thereupon, to the extent of 80% amounting to INR 25,693.81 lakh (March 31, 2018 INR 36,431.13 lakh) has been recorded as subsidy recoverable with a corresponding deferred revenue of INR 22,383.85 lakh (March 31, 2018 INR 33,683.21 lakh).

Per the accounting policy followed by the Company INR 562.04 lakh (March 31, 2018 INR 2,765.30 Lakh) has been recouped in the profit and loss account as 'Other income', over the period of 10 years.

Basis the current economic situation, the demand of the Company's products in the state of Bihar and other factors, the Company regularly revisits the quantum of sales and consequent SGST payable and government grant. Any change in such estimates are recognised prospectively.

Consequent to such change in estimates in the current year, 'Other Income' and 'profit before tax' is lower by INR 1,380.03 lakh. *(Amount in INR lakh, unless otherwise stated)*

33. Employee benefit plans

Defined Contribution Plans

Retirement benefits in the form of provident fund and employee state insurance are defined contribution schemes. The detail of contribution is as under:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Provident fund*	**1,361.23**	**1,324.07**
Employee's state insurance	**627.26**	629.56
Amount capitalised	**(51.05)**	(25.94)
Total contribution	**1,937.44**	**1,927.69**

*There are numerous interpretative issues relating to the Supreme Court (SC) Judgement on PF dated 28th February, 2019. The Company has assessed its compensation structure and does not identify any allowances on which PF should be deposited or provision to be made.

Defined Benefit Plans

Gratuity:

The Company has a defined benefit gratuity plan for its employees. Under the plan, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with an insurance company in the form of qualifying insurance policy.

Each year, the management reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The management decides its contribution based on the results of this annual review.

The Company is maintaining a fund with the SBI Life Insurance Company Limited (SBI) to meet its gratuity liability. The present value of the plan assets represents the balance available with the SBI as at the end of the year. The total value of plan assets is as certified by the SBI.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

Changes in the present value of the defined benefit obligation are as follows:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Defined benefit obligation at the beginning of the year	**3,002.59**	**2,970.73**
Service cost	**503.43**	651.12
Interest cost	**211.62**	218.98
Benefits paid	**(169.26)**	(101.88)
Acquisitions (credit)	**(58.20)**	-
Actuarial (gain) on obligations - OCI	**(157.09)**	(736.36)
Defined benefit obligation at the end of the year	**3,333.09**	**3,002.59**

Changes in the fair value of plan assets are as follows:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Fair value of plan assets at the beginning of the year	**1,373.91**	**1,257.79**
Contribution by employer	**-**	100.00
Benefits paid	**(168.09)**	(90.57)
Interest Income	**95.45**	94.69
Return on plan assets excluding Interest Income	**4.75**	12.00
Fair value of plan assets at the end of the year	**1,306.02**	**1,373.91**

Reconciliation of fair value of plan assets and defined benefit obligation:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Defined benefit obligation	**3,333.09**	**3,002.59**
Fair value of plan assets	**(1,306.02)**	(1,373.91)
Liability recognised in the Balance Sheet	**2,027.07**	**1,628.68**

Amount recognised in Statement of Profit and Loss:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current service cost	**503.43**	**651.12**
Net interest expense	**116.17**	124.29
Amount capitalised	**(58.40)**	-
Amount recognised in Statement of profit and loss	**561.20**	**775.41**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Amount recognised in Other Comprehensive Income:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Actuarial (gain) on obligation	**(157.09)**	**(736.36)**
Return on Plan Assets Excluding Interest Income	**(4.75)**	(12.00)
Amount capitalised	**16.07**	-
Amount recognised in Other Comprehensive Income	**(145.77)**	**(748.36)**

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Discount rate	**7.20%**	7.40%
Future salary increases	**5.00% p.a. for workers 7.5% p.a. for staff**	5.00% p.a. for workers 7.5% p.a. for staff
Mortality rate	**IALM (2006-08)**	IALM (2006-08)

A quantitative sensitivity analysis for significant assumption as at 31 March 2019 is as shown below:

Gratuity Plan	**Sensitivity level**		**Impact on DBO**	
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018
Assumptions				
Discount rate	**0.50%**	0.50%	**(94.23)**	(81.28)
	(0.50%)	(0.50%)	**99.78**	86.08
Future salary increases	**0.50%**	0.50%	**98.48**	85.65
	(0.50%)	(0.50%)	**(94.00)**	(81.82)
Attrition rate	**0.50%**	0.50%	**(3.22)**	(2.86)
	(0.50%)	(0.50%)	**3.10**	2.70

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

Sensitivities due to mortality and withdrawals are insignificant and hence ignored.

Sensitivities as to rate of inflation, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Within the next 12 months (next annual reporting year)	**499.61**	**559.85**
Between 1 and 5 years	**2,217.78**	1,963.89
Between 5 and 10 years	**3,598.13**	3,340.51
Total expected payments	**6,315.52**	**5,864.25**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

34. Commitments and Contingencies

A. Commitments

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Estimated value of contracts in capital account remaining to be executed (net of advance)	**38,948.17**	**42,484.43**
(b)	other commitments (other than fixed assets)	**-**	-
	Total	**38,948.17**	**42,484.43**

B. Operating leases

The Company has entered into commercial leases on certain immovable property. These leases have different life period ranging from one to ninety nine years with separate escalation clauses between 5 to 10% p.a. There are no restrictions placed upon the company by entering into these leases and there are no sub leased. There are no contingent rents.

The Company has paid INR 1,149.80 lakh (March 31, 2018: INR 994.44 lakh) during the year towards lease payment.

Future minimum rentals payable under non-cancellable operating leases as at March 31, 2019 and March 31, 2018 are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Within one year	**218.99**	**101.45**
After one year but not more than five years	**178.59**	130.28
More than five years	**-**	**30.84**

C. Finance lease commitments

The Company has taken finance lease on land parcels. The Company's obligation under the finance lease are secured by lessor's title to leased assets. Future minimum lease payments under finance leases together with present value of minimum lease payments are, as follows:

Particulars	As at March 31, 2019	
	Minimum lease payments	Present value of MLP
Not later than one year	**10.27**	9.18
Later than one year but not later than five years	**41.08**	38.68
Later than five years	**806.11**	50.40
Total minimum lease payments	**857.46**	98.26
Less: amounts representing finance charges	**759.20**	-
Present value of minimum lease payments	**98.26**	**98.26**

Particulars	As at March 31, 2018	
	Minimum lease payments	Present value of MLP
Not later than one year	**10.27**	9.18
Later than one year but not later than five years	**41.08**	38.68
Later than five years	**806.11**	50.40
Total minimum lease payments	**857.46**	98.26
Less: amounts representing finance charges	**759.20**	-
Present value of minimum lease payments	**98.26**	**98.26**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

D. Contingent liabilities

Claims against the Company not acknowledged as debts*:

Particulars	As at March 31, 2019	As at March 31, 2018
Sales tax matters	**336.56**	**446.24**
Excise duty and service tax matters	**287.51**	**325.76**

* It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipts of Judgements/ decisions pending from various forum/ authorities.

Sales tax, Excise and Service tax matters

The Company's pending litigation comprises of claims against the Company pertaining to proceeding pending with excise, sales tax/VAT and other authorities on account of certain disallowances. The Company has reviewed all its pending litigation and proceedings and has adequately provided for where provision are required and disclosed as contingent liability, where ever applicable, in its financial statements. Based on experts advice, the company is confident that the matter will be resolved in its favour.

35. Related party transactions

A. Name of related party and relationship

Subsidiary Company
RSPL Health Private Limited

Step-down subsidiary Company
RSPL Health BD Limited, Bangladesh

Key Management Personnel

Mr. Murli Dhar	Executive Chairman
Mr. Bimal Kumar	Managing Director
Mr. Rahul Gyanchandani	Joint Managing Director
Mr. Manoj Kumar	Whole Time Director
Mr. Rohit Gyanchandani	Whole Time Director
Mr. Naresh Kumar Phoolwani	Whole Time Director (appointed w.e.f. January 01, 2017)
Mr. Sushil Kumar Bajpai	Company Secretary and Chief Financial Officer

Others (Non-Executive)

Dr. Rajinder Pal Singh	Independent Director
Dr. J.N. Gupta	Independent Director
Mrs. Renuka Gulati	Independent Director

Enterprises in which Key Management personnel, others (non-executive) or their relatives have control/ significant influence having transactions with:
Rene Solutions
Serene Finmart Private Limited
Leayan Global Private Limited
Nimmi Build Tech Private Limited
NIF Private Limited

Relatives of Key Managerial Personnel

Mrs. Kamla Devi	Wife of Mr. Murli Dhar
Mrs. Seema Gyanchandani	Wife of Mr. Rahul Gyanchandani
Mrs. Rajani Gyanchandani	Wife of Mr. Manoj Kumar

A body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager.
Laxmi Devi Dayal Das Charitable Trust
RSPL Welfare Foundation
RSPL Limited employees gratuity trust

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Nature of transactions	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of Goods	RSPL Health BD Limited	**491.80**	406.60
Sale of Goods	Leayan Global Private Limited	**1.78**	4.10
Sale of Goods	Laxmi Devi Dayal Das Charitable Trust	**-**	0.39
Sale of Goods	NIF Private Limited	**56.38**	28.56
Sale of Property, Plant and equipment	NIF Private Limited	**16.21**	33.48
Sale of Property, Plant and equipment	Leayan Global Private Limited	**19.46**	63.00
Reimbursement of Lease hold improvement expenses	NIF Private Limited	**23.22**	-
Reimbursement of Lease hold improvement expenses	Leayan Global Private Limited	**23.22**	-
Reimbursement of Common cost allocation expenses	NIF Private Limited	**73.89**	60.65
Reimbursement of Common cost allocation expenses	Leayan Global Private Limited	**20.08**	21.99
Reimbursement of SAP Maintenance expenses	Leayan Global Private Limited	**60.81**	11.81
Reimbursement of SAP Maintenance expenses	NIF Private Limited	**92.50**	1.00
Reimbursement of SAP Cost	Leayan Global Private Limited	**209.32**	-
Reimbursement of SAP Cost	NIF Private Limited	**317.59**	-
Reimbursement of Freight expenses	RSPL Health BD Limited	**22.62**	10.36
Purchase of Goods	NIF Private Limited	**25.48**	20.46
Purchase of Goods	Leayan Global Private Limited	**4.00**	1.18
Purchase of Property, Plant and equipment	Leayan Global Private Limited	**5.00**	-
Rent Received	RSPL Health Private Limited	**0.36**	0.36
Rent Received	Leayan Global Private Limited	**36.20**	44.03
Rent Received	NIF Private Limited	**8.40**	8.40
Rent Received	Laxmi Devi Dayal Das Charitable Trust	**0.60**	0.60
Rent Paid	Mr. Murli Dhar	**9.15**	9.00
Rent Paid	Mr. Bimal Kumar	**25.35**	22.20
Rent Paid	Mr. Manoj Kumar	**20.40**	20.40
Rent Paid	Mr. Rohit Gyanchandani	**14.70**	11.70
Rent Paid	Mr. Rahul Gyanchandani	**11.70**	11.70
Rent Paid	Mrs. Seema Gyanchandani	**14.40**	14.40
Rent Paid	RSPL Health Private Limited	**3.00**	3.00
Rent Paid	Serene Finmart	**84.00**	-
Royalty Paid	RSPL Health Private Limited	**872.07**	767.35
Donation/CSR expenses paid	Laxmi Devi Dayal Das Charitable Trust	**141.50**	111.00
Donation/CSR expenses paid	RSPL Welfare Foundation	**765.00**	-
Commission C&F paid	Rene Solutions	**109.03**	89.73

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Nature of transactions	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Sales Promotion expenses paid	Rene Solutions	**189.35**	212.18
Payment made on behalf of	NIF Private Limited	**18.56**	2.15
Payment made on behalf of	Leayan Global Private Limited	**1.60**	-
Payment made on behalf of	RSPL Health Private Limited	**-**	3.19
Payment made on behalf of	Mr. Murli Dhar	**-**	17.01
Payment made on behalf of	Mr. Bimal Kumar	**-**	102.62
Payment made on behalf of	Mr. Rahul Gyanchandani	**-**	22.13
Payment made on behalf of	Mr. Manoj Kumar	**-**	30.39
Payment made on behalf of	Mr. Rohit Gyanchandani	**-**	102.72
Payment made on behalf of	Mrs. Seema Gyanchandani	**-**	0.54
Remuneration paid to key Managerial Personnel and others	Mr. Murli Dhar	**1,080.00**	990.00
Remuneration paid to key Managerial Personnel and others	Mr. Bimal Kumar	**1,080.00**	990.00
Remuneration paid to key Managerial Personnel and others	Mr. Rahul Gyanchandani	**900.00**	810.00
Remuneration paid to key Managerial Personnel and others	Mr. Manoj Kumar	**900.00**	810.00
Remuneration paid to key Managerial Personnel and others	Mr. Rohit Gyanchandani	**900.00**	810.00
Remuneration paid to key Managerial Personnel and others	Mr. Naresh Kumar Phoolwani	**4.61**	0.85
Remuneration paid to key Managerial Personnel and others	Mr. Sushil Kumar Bajpai	**49.38**	53.35
Remuneration paid to key Managerial Personnel and others	Mrs. Renuka Gulati	**-**	3.00
Remuneration paid to key Managerial Personnel and others	Dr. J.N. Gupta	**-**	1.80
Remuneration paid to key Managerial Personnel and others	Dr. Rajinder Pal Singh	**-**	2.40
Gratuity, leave encashment and assets transferred	RSPL Welfare	**84.62**	-
Commission paid	Mr. Murli Dhar	**448.39**	457.98
Commission paid	Mr. Bimal Kumar	**448.39**	457.98
Commission paid	Mr. Rahul Gyanchandani	**448.39**	457.98
Commission paid	Mr. Manoj Kumar	**448.39**	457.98
Commission paid	Mr. Rohit Gyanchandani	**448.39**	457.98
Dividend Paid	Mr. Murli Dhar	**580.50**	1,857.60
Dividend Paid	Mr. Bimal Kumar	**550.40**	1,761.28
Dividend Paid	Mr. Rahul Gyanchandani	**330.25**	1,056.80
Dividend Paid	Mr. Manoj Kumar	**330.25**	1,056.80
Dividend Paid	Mr. Rohit Gyanchandani	**330.25**	1,056.80
Dividend Paid	Mrs. Kamla Devi	**65.93**	210.96
Dividend Paid	Mrs. Rajani Gyanchandani	**14.05**	44.96

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Nature of transactions	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Expenses recovered by RSPL Limited	Leayan Global Private Limited	**0.14**	0.18
Expenses recovered by RSPL Limited	NIF Private Limited	**-**	2.28
Investment in equity shares during the year (refer note 6)	RSPL Health Private Limited	**420.00**	374.52
Loan Given	RSPL Health Private Limited	**420.00**	623.00
Loan Given	Mr. Naresh Kumar Phoolwani	**0.60**	1.20
Security Deposit Paid	Serene Finmart Private Limited	**47.42**	-
Loan received back	RSPL Health Private Limited	**420.00**	419.86
Loan received back	Leayan Global Private Limited	**-**	930.83
Loan received back	Mr. Naresh Kumar Phoolwani	**0.58**	0.32
Interest Income	RSPL Health Private Limited	**41.76**	27.74
Loans taken during the year	Mr. Murli Dhar	**2,940.00**	3,553.00
Loans taken during the year	Mr. Bimal Kumar	**2,270.00**	3,543.00
Loans taken during the year	Mr. Rahul Gyanchandani	**1,370.61**	1,678.00
Loans taken during the year	Mr. Manoj Kumar	**1,087.00**	1,416.00
Loans taken during the year	Mr. Rohit Gyanchandani	**920.00**	2,121.00
Loans taken during the year	Mrs. Kamla Devi	**-**	216.67
Loans taken during the year	Mrs. Seema Gyanchandani	**5.50**	-
Loans taken during the year	Mrs. Rajani Gyanchandani	**-**	47.00
Interest Paid	Mr. Murli Dhar	**85.53**	22.62
Interest Paid	Mr. Bimal Kumar	**45.53**	22.20
Interest Paid	Mr. Rahul Gyanchandani	**27.95**	12.09
Interest Paid	Mr. Manoj Kumar	**30.13**	9.13
Interest Paid	Mr. Rohit Gyanchandani	**32.70**	11.39
Interest Paid	Mrs. Kamla Devi	**1.12**	5.17
Interest Paid	Mrs. Seema Gyanchandani	**0.01**	0.23
Interest Paid	Mrs. Rajani Gyanchandani	**0.31**	2.61
Loan repayment during the year (including Interest)	Mr. Murli Dhar	**2,644.62**	3,277.52
Loan repayment during the year (including Interest)	Mr. Bimal Kumar	**2,116.39**	3,352.21
Loan repayment during the year (including Interest)	Mr. Rahul Gyanchandani	**1,514.32**	1,371.81
Loan repayment during the year (including Interest)	Mr. Manoj Kumar	**913.94**	1,372.18
Loan repayment during the year (including Interest)	Mr. Rohit Gyanchandani	**710.65**	1,842.29
Loan repayment during the year (including Interest)	Mrs. Kamla Devi	**53.53**	208.91
Loan repayment during the year (including Interest)	Mrs. Seema Gyanchandani	**5.51**	3.28
Loan repayment during the year (including Interest)	Mrs. Rajani Gyanchandani	**14.55**	64.17

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Nature of Balance	Name of related party	As at March 31, 2019	As at March 31, 2018
Balance outstanding as at year end:			
Loan receivable	RSPL Health Private Limited	**270.04**	271.23
Loan receivable	Mr. Naresh Kumar Phoolwani	**1.34**	-
Loans Payable	Mr. Murli Dhar	**704.12**	323.21
Loans Payable	Mr. Bimal Kumar	**426.96**	227.83
Loans Payable	Mr. Rahul Gyanchandani	**214.85**	330.61
Loans Payable	Mr. Manoj Kumar	**289.09**	85.90
Loans Payable	Mr. Rohit Gyanchandani	**559.13**	317.08
Loans Payable	Mrs. Kamla Devi	**-**	52.41
Loans Payable	Mrs. Rajani Gyanchandani	**-**	14.24
Trade Receivables	RSPL Health Private Limited	**701.72**	1,203.84
Trade Receivables	RSPL Health BD Limited	**76.78**	271.02
Trade Receivables	Leayan Global Private Limited	**35.46**	33.35
Trade Receivables	NIF Private Limited	**119.09**	54.58
Security Receivables	Serene Finmart Private Limited	**47.42**	-
Other Recoverable	NIF Private Limited	**577.43**	-
Other Recoverable	Leayan Global Private Limited	**427.75**	-
Trade Payables	RSPL Health Private Limited	**58.68**	306.40
Trade Payables	NIF Private Limited	**-**	3.73
Trade Payables	Rene Solutions	**16.20**	16.57
Trade Payables	Leayan Global Private Limited	**5.90**	0.15
Payable to Key Management Personnel and others	Mr. Murli Dhar	**344.07**	464.06
Payable to Key Management Personnel and others	Mr. Bimal Kumar	**344.04**	471.98
Payable to Key Management Personnel and others	Mr. Rahul Gyanchandani	**312.86**	468.51
Payable to Key Management Personnel and others	Mr. Manoj Kumar	**305.38**	472.38
Payable to Key Management Personnel and others	Mr. Rohit Gyanchandani	**320.35**	468.51
Payable to Key Management Personnel and others	Mrs. Seema Gyanchandani	**-**	3.24
Investments	RSPL Health Private Limited	**3,915.52**	3,495.52
Investments	Nimmi Buildtech Private Limited	**1.08**	1.08
Investments	Leayan Global Private Limited	**16.93**	16.93
Guarantees given on behalf of*	RSPL Health BD Limited	**4,302.01**	4,158.38

* The Company has given guarantee on behalf of its step down wholly owned subsidiary RSPL Health BD Limited to meet its working capital requirements.

C. Terms and conditions of transactions with related parties

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

D. Transactions with key management personnel

Directors' loans

The Company as per requirements, borrow funds from directors. Such loans are unsecured and the interest rate is determined by the board. Rate of interest for the year ended March 31, 2019 was 7.50% (March 31, 2018: 9%), which is based on market rate (refer note-17).

E. Compensation of key management personnel of the Company

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Short-term employee benefits	**7,155.94**	**6,754.10**
Post employment benefits	**-**	-
Other long-term employee benefits	**13.97**	13.97
Termination benefits	**-**	-

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

36. Segment information

The Company publishes this financial statement along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

37. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Notes	Carrying value		Fair value	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Financial assets					
I. Classified and measured at fair value:					
Quoted investments	A	**11,413.71**	15,759.66	**11,413.71**	15,759.66
Investment in Unquoted Equity Shares	B	**18.01**	18.01	**18.01**	18.01
Derivative Assets	C	**1,004.25**	336.26	**1,004.25**	336.26
II. Classified and measured at amortised Cost:					
Security deposit paid	D	**818.31**	808.53	**818.31**	808.53
Total		**13,254.28**	**16,922.46**	**13,254.28**	**16,922.46**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Particulars	Notes	Carrying value		Fair value	
		As at March 31, 2019	**As at March 31, 2018**	**As at March 31, 2019**	**As at March 31, 2018**
Financial liabilities					
I. Classified and measured at amortised Cost:					
Borrowings	D	**256,091.22**	184,514.05	**256,091.22**	184,514.05
Finance Lease Obligations	D	**98.26**	98.26	**98.26**	98.26
Total		**256,189.48**	**184,612.31**	**256,189.48**	**184,612.31**

Notes:

1 The management assessed that cash and cash equivalents, other bank balances, trade receivables, other current assets, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

2 The fair value of the financial assets and liabilities is included at t he amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

3 The following methods and assumptions were used to estimate the fair values:

Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

A. The fair values for investments in quoted securities like mutual funds is based on price quotations available in the market at each reporting date.

B. The fair values for investments in unquoted equity shares are estimated by valuer following discounted cash flow method.

C. The Company has entered into derivative financial instruments with financial institutions/ banks through Cross currency interest rate swap, foreign currency option contracts and interest rate swap. Such derivatives are valued using valuation techniques, which employs the use of market observable inputs. The Company has valued the same based on Mark to Market assessments given by banks as on date of valuation.

D. The fair values of the financial assets and liabilities like security deposits paid, borrowings, finance lease obligation etc. are determined by using DCF method using discount rate that reflects the issuer’s incremental borrowing rate as at the end of the reporting period. Loan to related parties are loan repayable on demand and accordingly, carrying value approximates the fair value.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

38. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

A. Quantitative disclosures of fair value measurement hierarchy for assets as at March 31, 2019:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at Fair value through profit and loss:					
Quoted investments	March 31, 2019	11,413.71	11,413.71	-	-
Investment in Unquoted Equity Shares	March 31, 2019	18.01	-	-	18.01
Derivative Assets	March 31, 2019	1,004.25	-	1,004.25	-
Assets measured at amortised cost for which fair values are disclosed (refer note 37):					
Security deposit paid	March 31, 2019	818.31	-	818.31	-
Liabilities measured at amortised cost for which fair values are disclosed (refer note 37):					
Borrowings	March 31, 2019	256,091.22	-	256,091.22	-
Finance Lease Obligations	March 31, 2019	98.26	-	98.26	-

There have been no transfers between Level 1 and Level 2 during the year.

B. Quantitative disclosures of fair value measurement hierarchy for assets as at March 31, 2018:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at Fair value through profit and loss:					
Quoted investments	March 31, 2018	15,759.66	15,759.66	-	-
Investment in Unquoted Equity Shares	March 31, 2018	18.01	-	-	18.01
Derivative Assets	March 31, 2018	336.26	-	336.26	-
Assets measured at amortised cost for which fair values are disclosed (refer note 37):					
Security deposit paid	March 31, 2018	808.53	-	808.53	-
Liabilities measured at amortised cost for which fair values are disclosed (refer note 37):					
Borrowings	March 31, 2018	184,514.05	-	184,514.05	-
Finance Lease Obligations	March 31, 2018	98.26	-	98.26	-

There have been no transfers between Level 1 and Level 2 during the year.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2019 and March 31, 2018 are as shown below:

Description	Valuation technique	Significant unobservable inputs	Sensitivity of the input to fair value
FVTPL assets in unquoted equity shares	DCF method	Long-term growth rate for cash flows for subsequent years (average 2.50%)	2% increase (decrease) in the growth rate would result in increase (decrease) in fair value by INR 0.89 lakh
		Long-term operating margin	2% increase (decrease) in the margin would result in increase (decrease) in fair value by INR 2.60 lakh
		WACC (Range 11.71% to 14.88%)	1% increase (decrease) in the WACC would result in increase (decrease) in fair value by INR 7.0 lakh
		Discount for lack of marketability	2% increase (decrease) in the discount would result in increase (decrease) in fair value by INR 10.90 lakh.

39. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables and finance lease obligation. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments (mutual funds, equity), trade and other receivables, security deposits, cash and short-term deposits that derive directly from its operations. The Company also enters into derivative transactions.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, investments, deposits, advances and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at March 31, 2019. The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations.

The following assumptions have been made in calculating the sensitivity analysis:- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates.

The Company enters into interest rate swaps to manage its interest rate risk, in which it agrees to exchange, at specified intervals, the difference between floating and fixed rate interest amounts calculated by reference to an agreed-upon notional principal amount. At March 31, 2019 and March 31, 2018, company has taken interest rate swap for all of its floating interest rate borrowings.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

The exposure of the Company's borrowing at floating rate of interest at the end of reporting year:

Particulars	As at March 31, 2019	As at March 31, 2018
Rupee term loan borrowings	219,634.08	140,105.57
USD Commercial Borrowings	16,457.14	24,408.48

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/decrease in basis points	Effect on profit before tax
March 31, 2019		
INR Term loan	+200	868.26
INR Term loan	-200	(868.26)
USD Commercial Borrowings	+200	405.31
USD Commercial Borrowings	-200	(405.31)
March 31, 2018		
INR Term loan	+200	(219.70)
INR Term loan	-200	219.70
USD Commercial Borrowings	+200	(535.82)
USD Commercial Borrowings	-200	535.82

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and borrowings in foreign currency (ECB borrowings).

Foreign currency risk mitigation:

The Company manages its foreign currency risk by entering into derivatives viz. interest rate swaps, cross currency interest rate swaps and foreign currency option contracts. When a derivative is entered into for the purpose of hedging, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Company exposure to foreign currency risk at the end of reporting period expressed are as follows:

Particulars	As at March 31, 2019		As at March 31, 2018	
	USD	EUR	USD	EUR
Financial Asset				
Trade Receivable	**1.12**	**-**	4.99	-
Exposure to foreign currency assets	**1.12**	**-**	**4.99**	**-**
Financial Liabilities				
Trade payables	**55.52**	**4.84**	-	128.77
Capital Creditors	**0.89**	**14.69**	-	14.98
Buyers' credit	**22.48**	**-**	-	-
Exposure to foreign currency liabilities	**78.89**	**19.53**	**-**	**143.75**
Net exposure to foreign currency assets / (liabilities)	**(77.77)**	**(19.53)**	**4.99**	**(143.75)**
Net exposure to foreign currency assets / (liabilities) (in INR)	**(5,449.34)**	**(1,546.39)**	**544.99**	**(11,595.52)**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Particulars	Increase/ decrease in basis points	Effect on profit before tax	
		For the year ended March 31, 2019	For the year ended March 31, 2018
USD Sensitivity			
INR/ USD	+500	**(272.47)**	16.41
INR/ USD	-500	**272.47**	(16.41)
EURO Sensitivity			
INR/ EURO	+500	**(77.32)**	(589.75)
INR/ EURO	-500	**77.32**	589.75

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Outstanding trade receivables are reviewed and assessed for default on half year basis taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowance and impairment is recognised where considered appropriate by the responsible management.

Outstanding balances of trade receivable comprises primarily of Governments and group companies. The Company's historical experience of collective receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivable are considered to be a single class of financial assets.

The maximum exposure to credit risk at the reporting date is the carrying value of Trade receivables is as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables	**2,978.53**	3,286.49
Expected credit loss rate	**1.45%**	1.45%
Expected credit loss	**43.19**	47.65
Specific provision	**38.16**	57.91
Total Provision	**81.35**	**105.56**

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Company's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the Balance Sheet at March 31, 2019 and March 31, 2018 is the carrying amounts as provided in Note 6, 7, 8, 12 (a) and 12 (b)."

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, buyers credit and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Year ended					
March 31, 2019					
Borrowings	40,147.63	6.24	23,001.15	219,271.88	282426.9
Trade payables	-	38,839.67	-	-	38,839.67
Other financial liabilities	739.45	52,325.40	-	-	53,064.85
	40,887.08	**91,171.31**	**23,001.15**	**219,271.88**	**374,331.42**
Year ended					
March 31, 2018					
Borrowings	35,688.90	5,006.24	54,098.63	115,087.83	209,881.60
Trade payables	-	41,549.75	-	-	41,549.75
Other financial liabilities	510.19	55,867.81	-	-	56,378.00
	36,199.09	**102,423.80**	**54,098.63**	**115,087.83**	**307,809.35**

40. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value through optimum mix of debt and equity. The Company's policy is to keep the gearing ratio to the maximum of 200%. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The gearing ratio at the end of the reporting year are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Borrowings (refer note 17)	**282,426.90**	209,881.60
Current maturities of long term loan, interest accrued on borrowings and book overdraft (refer note 21)	**15,959.69**	17,169.09
Less: Cash and cash equivalents [refer note 12 (a)]	**(9,306.47)**	(2,643.43)
Net debts (A)	**289,080.12**	**224,407.26**
Equity (B)	**212,091.79**	**189,424.95**
Net Gearing (A/B)	**136.30%**	**118.47%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

41. Dues to Micro, Small and Medium Enterprises

The dues to Micro, Small and Medium Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Company is given below:

Particulars	As at March 31, 2019	As at March 31, 2018
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	**2,700.94**	542.79
Interest due on above	**36.93**	1.38
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payments made to the supplier beyond the appointed day during each accounting year	**-**	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	**-**	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	**36.93**	47.90
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 MSMED Act 2006.	**36.93**	47.90

42. Interest in subsidiary

The financial statements of the Company include group information, wherever required, pertaining to following:

Subsidiary Companies

Particulars	RSPL Health Private Limited	RSPL Health BD Limited
Relationship	Subsidiary company	Step-down subsidiary company
Principal Activity	The main objective of the Company is to carry on the business of manufacture of all type of consumer products, particularly personal hygiene products, dental hygiene and oral care products, drugs or medicines and home and fabric care products.	The main objective of the Company is to carry on the business of manufacture of all type of soap and detergent products and its ingredients.
Method use to account for interest	At cost	At cost
Place of Incorporation and place of operation	India	Bangladesh
Proportion of ownership interest and voting power held by the Company:		
March 31, 2019	100%	100%
March 31, 2019	100%	100%
Quoted (Yes / No)	No	No

43. In financial year 2016-17, the Company had issued Non-Convertible Redeemable Debentures of face value INR 10 Lakh each and aggregating upto INR 20,000 lakh to SBI Life Insurance Corporation Limited and the same are listed on National Stock Exchange (NSE). As per SEBI (Listing and Disclosure requirements) Regulations, 2015, every listed entity is required to submit un-audited financial results within forty five days from the end of the half year and audited financial results within sixty days from the end of the year to the registered stock exchange. However, the Company has failed to comply with these provisions and has filed for condonation of the same with NSE. Awaiting response from NSE, the management has created provision for penalties under the provision of the LODR, 2015. Based on discussion with authorities, the management is hopeful of getting the condonation of delay and is of the view that no action will be taken by the exchange against the Company and its officials.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

44. Pre-Operative expenses pending allocation

During the year, the Company has capitalised following pre-operative expenses to capital work-in-progress being expenses related to the construction of greenfiled soda ash project in Gujarat. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Company (refer note-3(a)).

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Amount carried forward from previous financial year	**25,631.55**	10,048.37
Employee benefits expenses	**2,006.07**	1,505.26
Power & fuel	**4,580.34**	368.50
Legal and professional	**266.41**	1,248.58
Rent	**177.79**	465.18
Maintenance expenses	**431.90**	1,330.28
Travelling and conveyance	**162.47**	245.03
Insurance	**389.18**	151.80
Miscellaneous expenses	**669.50**	2,319.17
Finance costs	**17,070.22**	8,103.86
Goods produced from trial run	**(4,229.81)**	-
Cost of material consumed	**2,665.05**	-
Miscellaneous income	**(210.46)**	(154.48)
Amount capitalised in property, plant and equipment	**(37,318.65)**	-
Total	**12,291.56**	**25,631.55**

During the current year, significant part of the Soda ash project has been capitalised on the commencement of the commercial production and consequently pre-operative expenses as of the capitalisation date amounting to INR: 37,618.65 lakh has been capitalised with the value of property plant and equipment.

45. Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

(i) Ind AS 116 Lease accounting

Ind AS 116 Leases was notified by MCA on March 30, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17.

The Company intends to adopt these standards from April 01, 2019. As the Company does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its financial statements.

(ii) Appendix C to Ind AS 12- Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments.

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

The interpretation is effective for annual reporting periods beginning on or after 1 April 2019, but certain transition reliefs are available. Since the Company does not operate in a multinational tax environment and the tax computations is not complex, applying the Interpretation will not have material affect on the financial statements.

(iii) Amendments to Ind AS 23: Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, the Company does not expect any effect on its financial statements.

(iv) Amendments to Ind AS 109: Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The amendments should be applied retrospectively and are effective for annual periods beginning on or after 1 April 2019. These amendments have no impact on the financial statements of the Company.

(v) Amendments to Ind AS 12: Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, the Company does not expect any effect on its financial statements. "

46. Consequent to the introduction of Goods and Services Tax (GST) with effect from July 01, 2017, Indirect taxes like Excise Duty, Value Added Tax (VAT) etc., had been subsumed into GST. In accordance with Ind AS - 18/ Ind AS-115 on Revenue and Schedule III of the Companies Act, 2013, unlike Excise Duty, GST is not considered as part of Revenue and hence, revenue from operations upto June 30, 2017 is inclusive of excise duty. Accordingly, the figures for the year ended March 31, 2019 are not comparable to March 31, 2018.

47. Amount represented in INR 0.00 are below the rounding off norms adopted by the Company.

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Pankaj Chadha**
Partner
Membership No.: 091813

Place: Gurugram
Date: September 28, 2019

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary and Chief Financial Officer
Membership No.:- F3753

Place: Gurugram
Date: September 28, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of RSPL Limited

Report on the Audit of the ConsolidatedInd AS Financial Statements

Opinion

We have audited the accompanying consolidatedInd AS financial statements of RSPL Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidatedInd AS financial statements give the information required by the Companies Act, 2013,as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, their consolidated profit including other comprehensive income,their consolidated cash flows and the consolidatedstatement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidatedInd AS financial statements in accordance with the Standards on Auditing (SAs),as 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 ConsolidatedInd AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidatedInd AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<u>Capitalisation of Property, plant and equipment and consequential tax impact</u> *(as described in note 44 of the consolidated Ind AS financial statements)*	
The Company has set up a greenfield soda ash manufacturing facility as detailed in note 44 of consolidated Ind AS financial statements. During the year ended March 31, 2019, the Company has capitalised INR 255,429.26 lakh under various heads of Property, plant and equipment and INR 90,810.75 lakh is carried forward as capital work in progress. Capitalisation of plant requires significant management judgement and estimation to ensure that the plant has achieved technical stability, the completeness of accruals relating to the portion of the plant to be capitalised and its assessment of useful economic lives and residual values. Large capitalization are associated with consequential tax benefits resulting in carry forward tax losses and MAT credits. The recognition of deferred tax assets on tax losses and MAT credit amounting to INR 7,929.18 lakh, entails a high level of judgement by the management in assessing the quantification, probability and sufficiency of future taxable profits against which they may be offset, future reversals of existing taxable temporary differences, etc. Basis the involvement of significant judgement by management for capitalization and consequential recognition of deferred tax, this has been considered as key audit matter.	In order to address this risk, we have performed the audit procedures including: • We have tested the design and implementation of controls in respect of the processes and procedures in the Company which govern: - the accuracy and completeness of the capitalisation of the costs including direct and indirect cost, timing of capitalisation of the plant, property and equipment and assessing economic useful lives of the assets as per the recognition criteria of IND AS 16 “Property, plant and equipment’. - the recognition and measurement of deferred tax assets on tax losses and MAT credit available for utilisation in the future years. • We analysed the current and deferred tax calculations against the relevant provisions of accounting standards and tax legislation • We evaluated management assessment of the manner in which deferred tax assets would be realised by comparing this to evidence obtained • We performed sensitivity analysis on management’s assumptions used in the forecast model by using our knowledge of the Company and the industry in which it operates; • We tested the mathematical accuracy of the deferred tax calculation. • We evaluated the adequacy of the Company’s disclosures setting out the basis of the deferred tax balance and the level of estimation involved • We have carried out substantive testing in relation to capitalised costs and capital work in progress including concurrence supporting evidence for a sample of the capitalised costs, understanding the nature of the costs capitalised, etc. • We have met the project leaders and performed substantive procedures to corroborate the project status, technical and commercial feasibility of the completion, etc. to assess the timing of the capitalisation. • We involved our internal tax specialist to check the income tax computation for the accuracy of tax losses and MAT credits. • We analysed the board of director approved forecast data and future reversals of existing taxable temporary difference for the utilization/ adjustment of tax losses and MAT credit.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2"><u>Recognition of Government Grant pending notification for revised calculation criteria post GST implementation</u> (as described in note 32 (f) of the consolidated Ind AS financial statements)</td></tr>
<tr><td>The Company is entitled to a State incentive in the form of 80% reimbursement of net VAT paid by the Company. Post GST implementation effective July 1, 2017, the VAT / CST Acts have been repealed and the State Government has not yet issued any clarification on the revised calculation criteria to claim the incentive. The Industries Association of Bihar State has filed a writ with the Hon’ble Patna High Court against the State Government to issue the revised computation criteria to claim incentive and the matter is sub-judice as of date.

The Company on the basis of SGST paid/ payable in the GST regime, has recognized an asset of INR 25,693.81 lakh with corresponding deferred revenue of INR 22,383.85 in the balance sheet of March 31, 2019 and an income of INR 562.04lakh in the profit and loss statement for the year ended March 31, 2019.

The aforesaid incentive recognised by the Company may significantly deviate on account of change in the management’s judgements and estimates and revised criteria by the State Government to claim the incentive and therefore, this has been considered as key audit matter.</td><td>In our audit, we checked the accuracy and valuation of the said incentives accrued by the Company. The audit procedures performed include:
• We discussed the matter with the Company’s in-house tax counsel for an understanding of the relevant Acts and conditions attached thereto and the legal and constitutional right of the Company to receive the benefit post implementation of GST. We involved our indirect tax specialist on the same and obtained their views.
• We examined the State Incentive policy to check the eligible quantum and period of incentives.
• We tested the incentive recognised in the balance sheet and the statement of profit and loss as per the accounting policy followed by the Company.
• We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to the government grants, including the controls in respect of measurement of the grants.
• We compared the inputs used in the computation of government grant to external data, including the modalities to claim the incentives under the Policy.
• We re-calculated the computation of government grant using inputs and estimates used by the management
• We tested the estimates of future tax liability from the board approved projections of production from the particular facility and sales within the state of Bihar.</td></tr>
</table>

Other Information

The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, but does not include the consolidatedInd AS financial statements and our auditor’s report thereon.

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

In connection with our audit of the consolidatedInd AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated 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.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company’s Board of Directors is responsible for the preparation and presentation of these consolidatedInd AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 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 consolidatedInd AS 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 Ind AS financial statements by the 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 are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor’s Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidatedInd AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS 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 consolidatedInd AS 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 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 to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidatedInd AS financial statements, including the disclosures, and whether the consolidatedInd AS 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 of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entitiy included in the consolidated financial statements, which have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by him. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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 consolidatedInd AS financial statements for the financial year ended March 31, 2019 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.

Other Matter

We did not audit the financial statements and other financial information, in respect of a subsidiary,whose Ind AS financial statements include total assets of INR 5,759.45 lakh as at March 31, 2019, and total revenues of INR 16,572.20 lakh and net cash inflows of INR 284.05 lakh for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of such other auditor.

Our opinion above on the consolidated Ind AS 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 and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(i) 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 Ind AS financial statements;

(j) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(k) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(l) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(m) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor who are appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

(n) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary company incorporated in India, refer to our separate Report in "Annexure 2" to this report;

(o) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company and its subsidiary incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(p) 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 Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidatedInd AS financial statements – Refer Note 34D to the consolidatedInd AS financial statements;

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 8 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary incorporated in India during the year ended March 31, 2019.

For **S.R. Batliboi& CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 19091813AAAADA8156

Place: Gurugram
Date: September 28, 2020

ANNEXURE - 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RSPL LIMTED

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

In conjunction with our audit of the Consolidated Financial Statement of RSPl Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of RSPL Limited (hereinafter referred to as "Holding Company") and its subsidiary company, which is incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary company, which is company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Holding Company's internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements.

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated 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 Over Financial Reporting With Reference to these Consolidated Financial Statements

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness have been identified as at March 31, 2019:

(a) The Holding Company did not have an appropriate documented internal control system in place with respect to process of review and monitoring of the year-end financial statement closure process, which may potentially result in material misstatement in the Holding Company's financial statement balances and presentation and disclosure of financial statement. This matter was also qualified in our audit report on the financial statements for the year ended March 31, 2018.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the holding company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, in respect of the Holding Company and its subsidiary Company, which is company incorporated in India, have maintained, in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as of March 31, 2019, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the consolidated financial statements of the Holding Company, which comprise the Consolidated Balance Sheet as at March 31, 2019, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Statement of Change in Equity and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. We have considered the qualified opinion reported above in determining the nature, timing, and extent of audit tests applied in our report dated September 28, 2019, expressed an unqualified opinion those consolidated financial statements.

For **S.R. Batliboi& CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 19091813AAAADA8156

Place: Gurugram
Date: September 28, 2020

Consolidated balance sheet as at March 31, 2019

(Amount in INR lakh, unless otherwise stated)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
Assets			
Non-current assets			
Property, plant and equipment	3 (a)	**375,957.46**	124,552.18
Capital work-in-progress	3 (b)	**96,615.95**	269,165.65
Investment property	4	**1,485.81**	1,531.29
Intangible assets	5 (a)	**2,655.90**	241.06
Intangible assets under development	5 (b)	**-**	3,028.54
Financial assets			
Investments	6	**18.01**	18.01
Loans	7	**974.23**	808.53
Other financial assets	8	**581.32**	68.76
Other assets	9	**56,545.74**	63,550.43
Income tax assets (net)	22 (b)	**3,400.83**	3,168.12
Deferred tax assets	18	**5.42**	38.24
		538,240.66	466,170.81
Current assets			
Inventories	10	**63,430.53**	58,982.76
Financial assets			
Investments	6	**11,413.71**	15,759.66
Loans	7	**391.41**	534.51
Trade receivables	11	**2,118.68**	1,676.89
Cash and cash equivalents	12 (a)	**9,914.17**	2,965.50
Bank balances other than above	12 (b)	**18.70**	17.58
Other financial assets	8	**2,610.05**	1,076.76
Other assets	9	**19,577.63**	15,809.07
Assets classified as held for sale	13	**1,066.46**	-
		110,541.34	96,822.73
Total assets		**648,782.00**	562,993.54
Equity and liabilities			
Equity			
Equity share capital	14	**4,403.25**	4,403.25
Other equity	15	**204,602.21**	181,008.77
Total equity		**209,005.46**	185,412.02
Non-current liabilities			
Financial liabilities			
Borrowings	16	**242,279.25**	169,192.72
Provisions	17	**2,873.11**	2,433.91
Deferred tax liabilities (net)	18	**11,630.78**	7,768.92
Other liabilities	19	**27,819.27**	41,838.31
		284,602.41	221,233.86
Current liabilities			
Financial liabilities			
Borrowings	16	**40,999.28**	43,043.84
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	20	**2,700.94**	542.79
Total outstanding dues of creditors other than micro enterprises and small enterprises	20	**39,191.50**	42,457.18
Other financial liabilities	21	**53,097.92**	56,391.71
Other liabilities	19	**17,601.34**	13,604.37
Provisions	17	**387.89**	262.67
Current tax liabilities (net)	22 (a)	**1,195.26**	45.10
Total liabilities		**155,174.13**	156,347.66
Total equity and liabilities		**648,782.00**	562,993.54
Summary of significant accounting policies	2		
The accompanying notes are integral part of the financial statements.			

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Pankaj Chadha**
Partner
Membership No.: 091813

Place: Gurugram
Date: September 28, 2019

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary and Chief Financial Officer
Membership No.:- F3753

Place: Gurugram
Date: September 28, 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	23	**468,090.95**	459,857.95
Other income	24	**4,390.11**	7,837.65
Total income		**472,481.06**	467,695.60
Expenses			
Cost of materials consumed	25 (a)	**315,641.66**	300,077.01
Change in inventories of finished goods, work-in-progress and others	25 (b)	**(4,491.45)**	5,786.24
Excise duty on sale of goods		**-**	9,020.02
Employee benefits expense	26	**34,292.68**	32,724.94
Finance costs	28	**7,989.46**	5,735.45
Depreciation and amortization expense	27	**9,885.55**	8,297.05
Other expenses	29	**70,379.76**	66,529.27
Total expenses		**433,697.66**	428,169.98
Profit before tax		**38,783.40**	39,525.62
Tax expense :			
Current tax	18	**8,784.64**	10,698.91
Deferred tax	18	**3,808.61**	2,547.82
Adjustment of tax related to earlier periods	18	**(7.96)**	(488.40)
Profit for the year		**26,198.11**	26,767.29
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
Re-measurement (gains) / losses on defined benefit plans	30	**145.01**	748.66
Income tax effect		**(50.72)**	(259.07)
Items that will be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations		**(44.78)**	(70.19)
Other comprehensive (income) / expense for the year		**49.51**	419.40
Total comprehensive income for the year		**26,247.62**	27,186.69
Earnings per equity share:	31		
(1) Basic		**59.50**	61.05
(2) Diluted		**59.50**	61.05
Summary of significant accounting policies	2		

The accompanying notes are integral part of the financial statements.

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Pankaj Chadha**
Partner
Membership No.: 091813

Place: Gurugram
Date: September 28, 2019

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary and Chief Financial Officer
Membership No.:- F3753

Place: Gurugram
Date: September 28, 2019

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	**38,783.40**	39,525.62
	Adjustment to reconcile profit before tax to net cash flows:		
	Depreciation and amortization expense	**9,885.55**	8,297.05
	Unrealised exchange difference (gain)/loss	**(267.22)**	61.49
	Provision for doubtful loans and advances / trade receivables	**36.00**	308.96
	Balances written off	**6.00**	2,395.15
	Property, plant and equipment written off	**6.15**	780.60
	Fair value gain on investments	**(623.00)**	(918.35)
	Liabilities no longer required written back	**(929.33)**	-
	Profit on sale of investments	**(106.14)**	(345.84)
	Fair value gain on derivative instruments	**(668.00)**	(42.79)
	Interest and financial charges	**7,989.00**	5,735.45
	Loss/(profit) on sales of property, plant and equipment (net)	**(69.24)**	(493.16)
	Foreign currency translation reserve	**(44.78)**	(65.70)
	Interest income	**(99.12)**	(84.99)
	Operating profit before working capital changes	**53,899.27**	55,153.49
	Add: Working Capital Changes :		
	(Increase)/decrease in inventories	**(4,447.77)**	6,044.66
	(Increase)/decrease in trade receivables	**(473.48)**	807.83
	(Increase)/decrease in loans	**(22.60)**	872.08
	(Increase) in other financial assets	**(1,348.99)**	(650.44)
	Decrease/(increase) in other assets	**2,024.70**	(44,333.56)
	Increase in trade payables	**(64.38)**	771.22
	Increase in provisions	**709.43**	510.94
	(Decrease)/increase in other financial liabilities	**(47.19)**	110.97
	(Decrease)/Increase in other liabilities	**(10,022.07)**	33,020.62
	Cash Flow from operations	**40,206.92**	52,307.81
	Less: Direct taxes paid (net)	**(7,968.78)**	(13,876.05)
	NET CASH FROM OPERATING ACTIVITIES (A)	**32,238.14**	38,431.76
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant & equipment (including capital work in progress and capital advance)	**(90,251.86)**	(155,644.08)
	Proceeds from sale of property, plant & equipment	**321.93**	1,268.09
	Sale of investments (net)	**5,075.09**	15,186.37
	Proceeds from fixed deposits (net)	**(1.15)**	695.37
	Interest received	**71.41**	164.15
	NET CASH USED IN INVESTING ACTIVITIES (B)	**(84,784.58)**	(138,330.10)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

	Particulars	**For the year ended March 31, 2019**	For the year ended March 31, 2018
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Interest paid	**(7,097.32)**	(5,383.24)
	Proceeds from long term borrowings	**85,426.38**	138,439.24
	Repayment of long term borrowings	**(14,135.13)**	(8,619.04)
	Proceeds from borrowings (net)	**(2,044.64)**	(14,107.85)
	Dividend paid (including Dividend Distribution Tax)	**(2,654.18)**	(8,479.44)
	NET CASH FROM FINANCING ACTIVITIES (C)	**59,495.11**	101,849.67
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**6,948.67**	1,951.33
	Cash and cash equivalents at the beginning of the year	**2,965.50**	1,014.17
	Cash and cash equivalents at the end of the year	**9,914.17**	2,965.50
	NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	**6,948.67**	1,951.33
	Summary of significant accounting policies	**2**	
	The accompanying notes are an integral part of the financial statements.		

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Pankaj Chadha**
Partner
Membership No.: 091813

Place: Gurugram
Date: September 28, 2019

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
Executive Chairman
DIN - 00049298

Bimal Kumar
Managing Director
DIN - 00049337

Sushil Kumar Bajpai
Company Secretary and Chief Financial Officer
Membership No.:- F3753

Place: Gurugram
Date: September 28, 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

a. Equity share capital

Equity shares of INR 10/- each issued, subscribed and fully paid:

Particulars	Number of shares	Amount
At April 01, 2017	**44,032,500**	**4,403.25**
Issue of share capital	-	-
At March 31, 2018	**44,032,500**	**4,403.25**
Issue of share capital	-	-
At March 31, 2019	**44,032,500**	**4,403.25**

b. Other equity

Particulars	Reserves and Surplus				Items of other comprehensive income	Total
	Amalgamation reserve	General reserve	Debenture redemption reserve	Retained earnings	Foreign Currency Translation Reserve	
At April 01, 2017	**33.86**	**28,728.09**	**231.51**	**133,312.73**	**(4.67)**	**162,301.52**
Profit for the year	-	-	-	26,767.29	-	26,767.29
Other comprehensive income (refer note 30)	-	-	-	489.59	(70.19)	419.40
Dividend paid during the year	-	-	-	(7,045.20)	-	(7,045.20)
Dividend distribution tax	-	-	-	(1,434.24)	-	(1,434.24)
Transfer to debenture redemption reserve	-	-	499.73	(499.73)	-	-
At March 31, 2018	**33.86**	**28,728.09**	**731.24**	**151,590.44**	**(74.86)**	**181,008.77**
Profit for the year	-	-	-	26,198.11	-	26,198.11
Other comprehensive income (refer note 29)	-	-	-	94.29	(44.78)	49.51
Dividend paid during the year	-	-	-	(2,201.63)	-	(2,201.63)
Dividend distribution tax	-	-	-	(452.55)	-	(452.55)
Transfer to debenture redemption reserve	-	-	499.73	(499.73)	-	-
At March 31, 2019	**33.86**	**28,728.09**	**1,230.97**	**174,728.93**	**(119.64)**	**204,602.21**
Summary of significant accounting policies		2				

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Pankaj Chadha**
Partner
Membership No.: 091813

Place: Gurugram
Date: September 28, 2019

For and on behalf of the Board of Directors of RSPL Limited

Murli Dhar
Executive Chairman
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Sushil Kumar Bajpai
Company Secretary and Chief Financial Officer
Membership No.:- F3753

Place: Gurugram
Date: September 28, 2019

(Amount in INR lakh, unless otherwise stated)

3. Corporate information

The consolidated financial statements comprise financial statements of RSPL Limited ("the Company") and its two wholly owned subsidiaries namely, RSPL Health Private Limited and RSPL Health BD Limited (collectively, "the Group") for the year ended March 31, 2019. RSPL Limited is a public company domiciled and incorporated under the provisions of the Companies Act, 1956. The Company is operating in the "Fast Moving Consumer Goods' (FMCG) business comprising Home and Personal Care (HPC) products and it is also in the business of generating electricity using wind energy.

The Company's debt securities are listed on the National Stock Exchange. The registered office of the Company is located at 119-121, Block P&T, Fazalganj, Kalpi Road,Kanpur – 208 012.

The information on related party relationships of the Group is provided in **Note 35**.

The consolidated financial statements were approved for issue in accordance with a resolution of the directors on September 28, 2019.

4. Significant accounting policies

4.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and with Companies (Indian Accounting Standards) (Amendment) Rules, 2016 issued by Ministry of Corporate Affairs ("MCA").

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The consolidated financial statements correspond to the classification provisions as contained in Ind AS 1 "Presentation of Financial Statements". For the purpose of clarity, various items are aggregated in the statements of profit and loss and balance sheet, however, the details of such items are separately presented in the notes to accounts of the financial statements, where applicable.

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships

The Groupuses same accounting policies in its opening Ind AS balance sheet and throughout all periods.

The consolidated financial statements are presented in Indian Rupees (INR) in lakh and all values are rounded to the nearest lakh (INR 00,000), except when otherwise stated.

4.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

4.3 Summary of significant accounting policies

a. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle (the Group considers 12 month period as normal operating cycle).
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle (the Group considers 12 month period as normal operating cycle).
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities 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 realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

b. Foreign currencies

Functional and presentational currency

The Group's consolidated financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Group primarily generates and expends cash.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

c. Fair value measurement

The Group 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:

- In the principal market for the asset or liability, or
- 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 Group.

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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

- 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 consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (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 Group 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.

a. Revenue from Contract with Customer

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer, generally on delivery of goods, at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 Revenue. The effect of initially applying this standard is recognized at the date of initial application (i.e. April 1, 2018). The Company has adopted Ind AS 115 using the modified retrospective approach. Under the modified retrospective approach, there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial statements.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers on behalf of the government.

Interest income

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the 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 but does not consider the expected credit losses.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

b. Government grant

Government grants are recognised 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 recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

d. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

(Amount in INR lakh, unless otherwise stated)

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. 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 liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, 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 re-assessed 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 profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI 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 tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternative Tax

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

e. Property, plant and equipment

The Group has elected to continue with the carrying value for all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind-AS and use the same as its deemed cost as at the date of transition.

Property, plant and equipment and capital work in progress are stated at cost lessaccumulated depreciation and accumulated impairment loss, if any.

Such cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct services, any other costs directly attributable to bringing the assets to its working condition for their intended use and cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Any trade discounts and rebates are deducted in arriving at the purchase price.

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item of property, plant and equipment, if it is probable that future economic benefits embodied within

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

the part will flow to the Group and its cost can be measured reliably with the carrying amount of replaced part getting derecognized. The cost of day-to-day servicing of property, plant and equipment are recognized in statement of profit and loss as and when incurred.

Capital work in progress comprises the cost of fixed assets that are not ready for their intended use at the reporting date.

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 disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Depreciation on property, plant and equipment has been provided on the straight line method as per the useful life as estimated by the management to allocate their cost, net of their residual values, over their estimated useful lives based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Asset category	Useful lives estimated by the management (years)
Plant and equipment	3 - 40 years
Office equipment	2 - 5 years
Buildings	3-30 years
Computers(including servers)	3-6 years
Electrical installations and fittings	10 years
Furniture and fittings	10 years
Lab equipments	5 - 10 years
Land (leasehold)	As per the lease term
Wind power converters	20 years
Vehicles	6 - 8 years

Assets costing Rs. 5,000 or less are fully depreciated in the year of purchase.

Depreciation on additions/ deletionsis provided on pro-rata basis with reference to the date of addition/ deletion.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

f. Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The group depreciates building component of investment property over 30 years from the date of original purchase.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are de-recognised either when they have been disposed of or when they are

(Amount in INR lakh, unless otherwise stated)

permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

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, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life(Estimated by management is 3 to 10 years) 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 least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Asset category	Useful lives estimated by the management (years)
Software and Licences	3 - 10 years
Technical Know How	10 years

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognized.

h. 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.

i. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group *as a lessee*

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group’s general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Lease rentals are recognized as expense or income on a straight line basis with reference to lease terms and other considerations except where-

iii. Another systematic basis is more representative of the time pattern of the benefit derived from the asset taken or given on lease; or

iv. The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

Groupas a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the excepted inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

j. Inventories

Inventories of raw materials, components, stores and spares are valued at the 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.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials and components: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of raw material and components is determined on first in, first out basis.
- Cost of spare parts is determined on first in, first out basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on first in, first out basis.

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.

In the current year, w.e.f. April 1, 2018, the Group has implemented SAP system for its accounting and financial reporting and change the accounting policy of inventory valuation from First in First out (FIFO) method to weighted average method. Since there are numerous inventory items with high turnover used in the production cycle it is impracticable to apply weighted average method in the earlier years for the comparative and cumulative impact. Therefore, the change in the accounting policy for inventory valuation has been applied on the prospective basis i.e. w.e.f. April 1, 2018. Also, the inventory holding period in the Group is not high and the prices of the inventory are not highly volatile, the management does not expect any material effect of the change in accounting policy of the inventory valuation on the results of the operations or financial position of the earlier years.

k. Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (CGU) is the greater of its value in use or fair value less costs to sell. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets ('CGU').

(Amount in INR lakh, unless otherwise stated)

An impairment loss is recognised, if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount and is recognised in statement of profit and loss.

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

l. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

m. Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

Contingent assets are assessed continually and if it is virtually certain that an outflow of economic benefits will arise, the assets and related income are recognized in the period in which the change occurs.

n. Retirement and other employee benefits

Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity

The Company operates a defined benefit gratuity plan, which requires contributions to be made to SBI life insurance company limited. There are no other obligations other than the contribution payable to the respective trust. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Grouprecognises related restructuring costs

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

In case of subsidiary companies where gratuity plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company.

In case of one of the subsidiary company (RSPL Health BD Limited), liability with regard to gratuity plan is accrued based on the actual liability accrued at the end of the reporting year.

In case of another subsidiary company (RSPL Health Private Limited), liability with regard to gratuity plan is accrued based on actuarial valuations at the balance sheet date, carried out by independent actuary.

Compensated leave absences

Accumulated leave, which is expected to be utilized within a period of next 12 months, is treated as short term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Group has unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

o. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial asset

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

This category generally applies to trade and other receivables. Grouphas recognized financial assets viz. trade receivables, cash and cash equivalents, security deposits, trade receivables at amortised cost.

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

c. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

d. 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.

This category is the most relevant to the Group. 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 on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

c. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

d. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.Grouphas recognized investment in mutual funds at FVTPL.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

For equity instruments included within the FVTPL category are measured at fair value and Grouphas recognized all changed in the P&L.

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 Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

c. Financial assets that are debt instruments, and are measured at amortised cost e.g., deposits, advances and bank balance

d. Trade receivables that result from transactions that are within the scope of Ind AS 18

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

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

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

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, as appropriate. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The 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. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. The Group does not have any financial liabilities designated at Fair Value through Profit or Loss.

Financial *liabilities at amortised cost*

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

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.

p. Derivative financial instruments accounting

The Group uses derivative financial instruments, such as cross currency interest rate swaps and interest rate swaps to hedge against its risk exposure against foreign currency loans, variable interest outflow on such loans relating to firm commitments. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

q. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

3 (a). Property, plant and equipment

(Amount in INR lakh, unless otherwise stated)

Particulars	Freehold Land	Leasehold Land [refer note (i)]	Leasehold improvement	Buildings	Plant and Equipment	Lab Equipment	Wind power convertors	Electrical installation and fittings	Office equipments	Computers	Furnitures and fixtures	Vehicles	Total
Gross Block (at deemed cost/cost)													
At April 01, 2017	29,024.55	1,579.74	-	33,794.71	27,589.33	78.24	20,677.92	2,339.40	1,050.93	748.20	862.27	4,791.07	122,536.36
Additions	486.36	262.47	-	7,766.57	14,584.94	203.78	101.55	1,115.57	281.10	238.10	142.87	442.06	25,625.37
Disposals/ adjustments	411.67	-	-	101.99	1,346.37	1.28	16.00	91.80	165.10	82.27	38.31	160.17	2,414.96
FCTR	(22.21)	-	-	10.52	(9.43)	0.12	-	(1.48)	1.54	3.27	0.62	4.72	(12.33)
At March 31, 2018	**29,077.03**	**1,842.21**	**-**	**41,469.81**	**40,818.47**	**280.86**	**20,763.47**	**3,361.69**	**1,168.47**	**907.30**	**967.45**	**5,077.68**	**145,734.44**
Additions	141.61	-	328.11	13,199.58	247,393.59	25.00	-	124.05	229.57	222.40	262.21	254.75	262,180.87
Disposals/ adjustments	-	-	-	6.39	396.55	-	-	-	43.00	4.81	0.05	79.96	530.76
Reclassified from Investment Property	62.97	-	-	-	-	-	-	-	-	-	-	-	62.97
FCTR	29.37	-		8.95	21.16	0.13	-	3.15	0.66	0.93	0.52	1.33	66.20
Reclassified assets held for sale	-	-	-	-	2,746.78	0.93	-	542.32	121.74	0.00	-	-	3,411.77
At March 31, 2019	**29,310.98**	**1,842.21**	**328.11**	**54,671.95**	**285,089.89**	**305.06**	**20,763.47**	**2,946.57**	**1,233.96**	**1,125.82**	**1,230.13**	**5,253.80**	**404,101.95**
Depreciation													
At April 01, 2017	-	26.48	-	3,068.05	5,137.85	13.83	1,899.15	542.13	470.27	335.31	159.44	2,245.65	13,898.16
Depreciation for the year	-	19.57	-	1,692.48	3,576.26	20.43	1,167.51	363.34	224.75	184.33	101.19	764.82	8,114.68
Disposals/ adjustments	-	-	-	6.96	475.62	0.42	1.65	44.81	126.68	68.07	26.42	108.80	859.43
FCTR	-	-		14.32	2.51	0.20	-	0.48	1.79	3.48	0.89	5.18	28.85
At March 31, 2018	**-**	**46.05**	**-**	**4,767.89**	**8,241.00**	**34.04**	**3,065.01**	**861.14**	**570.13**	**455.05**	**235.10**	**2,906.85**	**21,182.26**
Depreciation for the year	-	20.17	41.56	1,878.44	4,905.61	31.70	1,169.46	388.18	211.64	207.03	107.13	605.83	9,566.75
Disposals/ adjustments	-	-	-	6.28	178.33	-	-	-	9.41	1.52	-	75.97	271.51
FCTR	-	-		5.80	3.28	0.08	-	0.76	0.43	0.77	0.18	1.00	12.30
Reclassified assets held for sale	-	-	-	-	1,817.13	0.83	-	411.70	115.65	-	-	-	2,345.31
At March 31, 2019	**-**	**66.22**	**41.56**	**6,645.85**	**11,154.43**	**64.99**	**4,234.47**	**838.38**	**657.14**	**661.33**	**342.41**	**3,437.71**	**28,144.49**
Net book value													
At March 31, 2019	**29,310.98**	**1,775.99**	**286.55**	**48,026.10**	**273,935.46**	**240.07**	**16,529.00**	**2,108.19**	**576.82**	**464.49**	**887.72**	**1,816.09**	**375,957.46**
At March 31, 2018	29,077.03	1,796.16	-	36,701.92	32,577.47	246.82	17,698.46	2,500.55	598.34	452.25	732.35	2,170.83	124,552.18

Note:

(i) Finance Lease: The carrying value of finance lease recognised under leasehold land as at March 31, 2019 was INR 98.26 lakh (March 31, 2018: INR 98.26 lakh) - Refer note 34(C) for additional details.

(ii) Refer note 16 for assets pledged against borrowings.

(iii) The Group has identified certain assets related to AOS plant of Sagar & Dhar (Indore) locations for sale and has classified them as “”Assets held for sale””. These assets are valued at lower of its carrying value and fair value less costs to sell (refer note-13).

3(b). Capital work-in-progress*

At March 31, 2019	96,615.95
At March 31, 2018	269,165.65

*Capital work in progress includes pre-operative expenses pending allocation amounting to INR: 12,291.56 lakh (March 31, 2018: INR: 25,631.55 lakh) (refer note-44).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

4. Investment Property

Particulars	Freehold Land	Building	Total
Gross Block (at deemed cost/cost)			
At April 01, 2017	34.67	1,489.75	1,524.42
Additions	161.16	-	161.16
Disposal / Adjustments	-	-	-
At March 31, 2018	**195.83**	**1,489.75**	**1,685.58**
Additions	68.65	-	68.65
Reclassified to Property, plant and equipment	-	62.97	62.97
At March 31, 2019	**264.48**	**1,426.78**	**1,691.26**
Depreciation			
At April 01, 2017	-	102.91	102.91
Depreciation for the year	-	51.38	51.38
Disposal / Adjustments	-	-	-
At March 31, 2018	**-**	**154.29**	**154.29**
Depreciation for the year	-	51.16	51.16
Disposal / Adjustments	-	-	-
At March 31, 2019	**-**	**205.45**	**205.45**
Net book value			
At March 31, 2019	**264.48**	**1,221.33**	**1,485.81**
At March 31, 2018	**195.83**	**1,335.46**	**1,531.29**

Information regarding income and expenditure of Investment property

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rental income derived from investment properties	**27.00**	27.00
Profit arising from investment properties before depreciation	**27.00**	27.00
Less – Depreciation	**51.16**	51.38
Profit arising from investment properties before indirect expenses	**(24.16)**	(24.38)

As at March 31, 2019 and March 31, 2018, the fair values of the properties are INR 2,344.53 lakh and INR 2,092.96 lakh respectively. These valuations are based on valuations performed by independent valuer.

Reconciliation of fair value:

Particulars	Amount
At April 01, 2017	**1,600.54**
Adjustments	65.29
Purchases	44.49
Fair value difference	382.64
At March 31, 2018	**2,092.96**
Adjustments	(51.16)
Purchases	68.65
Fair value difference	224.08
At March 31, 2019	**2,334.53**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Valuation technique
(i) Land and building situated on Arazi No.2298, 2299, 2300, 2302, 2303, 2305 (M), at Village-Visayakpur, Pargana & Tehsil-Akbarpur, Kanpur Dehat. INR 1,700 per sq. mt. after considering the location, shape & size and local enquiries, the market rate has been considered. **(ii) Land situated at Prasidhpur, Akbarpur** INR 1,600 per sq. mt. after considering the location, shape & size and local enquiries, the market rate has been considered. **(iii) Land situated at Singhpur Shivli, Maitha,Distt-Kanpur Dehat** INR 3,700,000 per hectare after considering the location , shape & size and local enquiries ,the market rate has been considered. (i) Land area - 14.1376 Hectare (ii) Land area - 17,480 Sq. mt. (iii) Land area - 4,490.00 Sq. mt. Land Value - INR 892.09 lakh Building Value- INR: 1442.44 lakh.	Market Rate

5(a). Intangible assets

Particulars	Software	Technical Know How	Total
Gross Block (at deemed cost/cost)			
At April 01, 2017	343.70	-	343.70
Additions	282.37	-	282.37
Disposal / Adjustments	18.23	-	18.23
At March 31, 2018	**607.84**	**-**	**607.84**
Additions	1,326.73	1,355.34	2,682.07
Disposal / Adjustments	(0.41)	-	(0.41)
At March 31, 2019	**1,934.98**	**1,355.34**	**3,290.32**
Amortization			
At April 01, 2017	254.03	-	254.03
Amortisation for the year	130.98	-	130.98
Disposal / Adjustments	18.23	-	18.23
At March 31, 2018	**366.78**	**-**	**366.78**
Amortisation for the year	256.36	11.28	267.64
Disposal / Adjustments	-	-	-
At March 31, 2019	**623.14**	**11.28**	**634.42**
Net book value			
At March 31, 2019	**1,311.84**	**1,344.06**	**2,655.90**
At March 31, 2018	241.06	-	241.06

5(b). Intangible assets under development

At March 31, 2019	-
At March 31, 2018	3,028.54

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

6. Investments

Particulars	Units (in lakh)		Amount	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Non-current				
Investment in unquoted equity shares carried at fair value through profit & loss (FVTPL)				
Equity shares of INR 10/- each fully paid-up in Nimmi Build Tech Pvt. Ltd	**0.10**	0.10	**1.08**	1.08
Equity shares of INR 10/- each fully paid-up in Leayan Global Pvt. Ltd	**0.10**	0.10	**16.93**	16.93
Total			**18.01**	**18.01**

(Amount in INR lakh, unless otherwise stated)

Particulars	Units (in lakh)		Amount	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Current				
Investment carried at fair value through profit and loss (FVTPL)				
Investment in mutual funds (quoted)				
Aditya Birla Sunlife Credit risk fund (formerly known as Birla Sunlife Corporate Bond Fund - Growth Regular)*	**122.11**	122.11	**1,669.10**	1,580.11
DSP Credit Risk Fund (formerly known as DSP Blackrock Income Opportunity Fund)*	**19.43**	19.43	**565.89**	572.45
HDFC Credit risk fund-regular plan (formerly HDFC Corporate Debt opportunity Fund – Regular Growth)	**-**	48.37	**-**	697.08
ICICI prudential medium term bond fund (formerly known as ICICI prudential Corporate Bond Fund - Direct Plan - Growth)*	**20.33**	20.33	**609.40**	574.73
ICICI Prudential medium term bond fund (formerly known as ICICI Prudential Corporate Bond Fund - Growth)	**-**	25.14	**-**	679.60
ICICI Prudential FMP Series 77 - 1100 Days Plan M Cumulative*	**-**	100.00	**-**	1,270.27

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Particulars	Units (in lakh)		Amount	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Kotak Credit risk fund (Kotak Income Opportunity Fund - Direct Plan – Growth)*	**28.83**	28.83	**620.89**	578.69
Kotak Credit risk fund-regular (Kotak Income Opportunity Fund - Regular plan - Growth)	**-**	71.98	**-**	1,376.70
Kotak Low Duration Fund - Direct Growth **	**-**	0.00	**-**	9.75
UTI Fixed Term Income Fund Series XXIX- IX (1109 Days)- Direct Growth Plan Advisor*	**300.00**	-	**3,150.93**	-
UTI Corporate Bond Fund - Direct Growth Plan	**50.00**	-	**528.36**	-
SBI credit risk fund- Direct plan (SBI Corporate Bond Fund - Direct Plan - Growth)*	**39.92**	39.92	**1,237.03**	1,148.05
Kotak FMP Series 239 Direct-Growth	**50.00**	-	**525.76**	-
SBI Magnum Medium Duration Fund Regular Growth (formerly SBI Regular Savings Fund-Regular plan growth)	**-**	17.04	**-**	514.60
SBI Short Term Debt Fund - Direct Plan*	**59.16**	59.16	**1,303.54**	1,212.93
UTI Credit risk fund (UTI - Income Opportunity Fund - Direct Plan - Growth)*	**34.41**	42.33	**619.70**	714.73
UTI Credit risk fund (formerly, UTI - Income Opportunity Fund - Direct Plan - Growth)	**-**	65.57	**-**	1,039.16
UTI Fixed Term Income Fund Series XXII- VI (1098 Days)*	**-**	250.00	**-**	3,248.50
UTI Fixed Term Income Fund Series XXVI- V (1160 Days)	**50.00**	50.00	**583.11**	542.31
Total			**11,413.71**	**15,759.66**
Aggregate amount of unquoted investments			**18.01**	**18.01**
Aggregate amount of quoted investments			**11,413.71**	**15,759.66**
Aggregate market value of quoted investments			**11,413.71**	**15,759.66**
***Aggregate market value of quoted investments lien marked against borrowings (refer note 16)**			**9,776.48**	**10,900.47**

**** The absolute units of Mutual Funds are 445 rounded off in lacs to 0.00445.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

7. Loans (carried at amortised cost)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Unsecured, considered good		
Security deposits	**818.31**	808.53
Loans to employees	**155.92**	-
Total	**974.23**	**808.53**
Current		
Unsecured, considered good		
Security deposits	**169.97**	73.52
Loans to employees	**167.64**	396.50
Other loans	**53.80**	64.49
Unsecured, considered doubtful		
Other loans and advances	**32.74**	32.74
Security deposits	**10.38**	-
	434.53	567.25
Less: Provision for doubtful loans	**(43.12)**	(32.74)
Total	**391.41**	**534.51**

8. Other financial assets

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Unsecured, considered good		
Carried at fair value through profit and loss		
Derivative assets*	**529.28**	20.00
Carried at amortised cost		
Deposits with remaining maturity for more than 12 months	**24.16**	23.01
Margin money deposits with banks	**20.30**	18.43
Interest accrued on fixed deposits	**7.58**	7.32
Total	**581.32**	**68.76**
Current		
Unsecured, considered good		
Carried at fair value through profit and loss		
Derivative assets*	**474.97**	316.26
Carried at amortised cost		
Interest accrued on fixed deposits	**104.30**	2.88
Receivable from related parties	**1,005.18**	-
Discount Receivable	**679.94**	650.44
Margin money deposits	**89.67**	78.00
Other recoverable	**-**	-
Unbilled Revenue	**255.99**	29.18
Total	**2,610.05**	**1,076.76**

* Derivative instruments carried at fair value through profit or loss reflect the positive change in fair value of those cross currency interest rate swaps, currency options and interest rate swaps that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for external currency borrowings. The increase in the fair value has been recognised in other income. These has been classified into current and non-current in the same ratio as the underlying borrowings.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

9. Other assets

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Capital advances		
Unsecured, considered good	**1,603.66**	2,809.09
Unsecured, considered doubtful	**571.06**	571.06
	2,174.72	3,380.15
Less: Allowances for doubtful capital advances	**(571.06)**	(571.06)
	1,603.66	2,809.09
Prepaid expenses	**1,405.36**	1,473.05
Balance with government authorities		
Unsecured, considered good	**23,265.27**	17,611.29
Unsecured, considered doubtful	**1.54**	1.54
	23,266.81	17,612.83
Less: Allowances for other doubtful advances	**(1.54)**	(1.54)
	23,265.27	17,611.29
Subsidy receivable (refer note 32(f))	**30,271.45**	41,657.00
Other advances	**-**	
Unsecured, considered doubtful	**123.75**	123.75
	123.75	123.75
Less: Allowances for doubtful advances	**(123.75)**	(123.75)
	-	-
Total	**56,545.74**	**63,550.43**
Current		
Prepaid expenses	**747.85**	857.10
Balance with government authorities	**16,341.44**	13,491.38
Advance to Suppliers		
Unsecured, considered good	**2,488.34**	1,460.59
Unsecured, considered doubtful	**302.12**	252.11
	2,790.46	1,712.70
Less: Allowances for doubtful advances	**(302.12)**	(252.11)
	2,488.34	1,460.59
Total	**19,577.63**	**15,809.07**

10. Inventories (at lower of cost or net realisable value)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw material and packing material (Includes goods in transit March 31, 2019: INR 2,319.53 Lakh, March 31, 2018: INR 4,450.93 Lakh)	**36,202.98**	36,825.70
Work in progress (Includes goods in transit March 31, 2019: INR 139.65 Lakh, March 31, 2018: INR 283.84 Lakh)	**9,268.27**	7,140.97
Finished goods (Includes goods in transit March 31, 2019: INR 3,790.30 Lakh, March 31, 2018: INR 2,575.66 Lakh)	**13,853.59**	11,451.85
Stores and spares	**4,002.32**	3,356.08
Others	**103.37**	208.16
Total	**63,430.53**	**58,982.76**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

11. Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Receivable from related parties		
Unsecured, considered good (refer note-35)	**154.55**	87.93
Receivable from others		
Unsecured, considered good	**1,964.13**	1,588.96
Unsecured, considered doubtful	**81.35**	105.56
	2,200.03	1,782.45
Less: Allowances for doubtful receivables	**(81.35)**	(105.56)
Total	**2,118.68**	**1,676.89**

12(a). Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Cash on hand	**69.20**	75.10
Balances with banks:		
On current accounts	**2,633.94**	2,889.30
Deposits with original maturity of less than three months*	**7,211.03**	1.10
Total	**9,914.17**	**2,965.50**

* This amount can be utilised only for capital payments related to Greenfield Soda Ash project.

12(b). Other bank balances

Particulars	As at March 31, 2019	As at March 31, 2018
Deposits with original maturity for more than 3 months but upto 12 months	**18.70**	17.58
Total	**18.70**	**17.58**
For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:		
Cash and cash equivalents as per balance sheet	**9,914.17**	2,965.50
Total	**9,914.17**	**2,965.50**

13. Assets Classified as held for sale [refer note 3(a)(iii)]

Particulars	As at March 31, 2019	As at March 31, 2018
Plant & Machinery	**929.65**	-
Lab equipment	**0.10**	-
Electrical installation and fittings	**130.62**	-
Office equipment	**6.09**	-
Computers	**0.00**	-
Total	**1,066.46**	**-**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

14. Equity share capital

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised share capital		
450.00 lakh (March 31, 2018: 450.00 lakh) equity shares of INR 10 each	**4,500.00**	4,500.00
Issued, subscribed and fully paid equity capital		
440.33 lakh (March 31, 2018: 440.33 lakh) equity shares of INR 10 each	**4,403.25**	4,403.25
Total	**4,403.25**	**4,403.25**

(i) Reconciliation of authorised share capital as at year end

Particulars	No of shares	Amount
At April 01, 2017	45,000,000	4,500.00
Changes during the year	-	-
At March 31, 2018	**45,000,000**	**4,500.00**
Changes during the year	-	-
At March 31, 2019	**45,000,000**	**4,500.00**

(ii) Reconciliation of issued, subscribed and fully paid up share capital as at year end

Particulars	No of shares	Amount
At April 01, 2017	44,032,500	4,403.25
Changes during the year	-	-
At March 31, 2018	**44,032,500**	**4,403.25**
Changes during the year	-	-
At March 31, 2019	**44,032,500**	**4,403.25**

(iii) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. During the year ended March 31, 2019, the amount of per share dividend recognised as distributions to equity shareholder was INR 5 (March 31, 2018: INR 16).

In the event of liquidation of the Company, the holders of equity shares shall be entitled to be repaid the amount of capital paid up or credited as paid up on such equity shares and all surplus assets thereafter shall belong to the holders of equity shares in proportion to the amount paid up or credited as paid up on equity shares respectively at the commencement of the winding up.

(iv) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Shri Murli Dhar	**11,610,000**	**26.37%**	11,610,000	26.37%
Shri Bimal Kumar	**11,008,000**	**25.00%**	11,008,000	25.00%
Shri Manoj Kumar	**6,605,000**	**15.00%**	6,605,000	15.00%
Shri Rahul Gyanchandani	**6,605,000**	**15.00%**	6,605,000	15.00%
Shri Rohit Gyanchandani	**6,605,000**	**15.00%**	6,605,000	15.00%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

(v) Details of dividend declared and paid during the year

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interim dividend for 2017-18 : INR 10 per share	**-**	4,403.25
Dividend distribution tax @ 20.555%	**-**	896.40
Interim dividend for 2018-19 : INR 5 per share	**2,201.63**	-
Dividend distribution tax @ 20.555%	**452.55**	-
Total	**2,654.18**	**5,299.65**

15. Other Equity

Particulars	Reserves and Surplus				Items of other comprehensive income	Total
	Amalgamation reserve*	General reserve	Debenture redemption reserve**	Retained earnings	Foreign Currency Translation Reserve	
At April 01, 2017	**33.86**	**28,728.09**	**231.51**	**133,312.73**	**(4.67)**	**162,301.52**
Profit for the year	-	-	-	26,767.29	-	26,767.29
Other comprehensive income						
Re-measurement losses on defined benefit plans	-	-	-	748.66	-	748.66
Income tax effect on above	-	-	-	(259.07)	-	(259.07)
Currency translation difference	-	-	-	-	(70.19)	(70.19)
Dividend paid during the year	-	-	-	(7,045.20)		(7,045.20)
Dividend distribution tax	-	-	-	(1,434.24)	-	(1,434.24)
Transfer to debenture redemption reserve	-	-	499.73	(499.73)	-	-
At March 31, 2018	**33.86**	**28,728.09**	**731.24**	**151,590.44**	**(74.86)**	**181,008.77**
Profit for the year	-	-	-	26,198.11	-	26,198.11
Other comprehensive income						
Re-measurement gains on defined benefit plans	-	-	-	145.01	-	145.01
Income tax effect on above	-	-	-	(50.72)	-	(50.72)
Currency translation difference	-	-	-		(44.78)	(44.78)
Interim dividends	-	-	-	(2,201.63)	-	(2,201.63)
Dividend distribution tax	-	-	-	(452.55)	-	(452.55)
Transfer to debenture redemption reserve	-	-	499.73	(499.73)	-	-
At March 31, 2019	**33.86**	**28,728.09**	**1,230.97**	**174,728.93**	**(119.64)**	**204,602.21**

* Amalgamation reserve is arising as a result of scheme of merger of Ghari Industries Private Limited and Rohit Surfactant Private Limited (now RSPL Limited) effective from April 01, 2006.

** The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share Capital and debentures) Amendment Rules, 2015, requires the company to create debenture redemption reserve (DRR) out of the profits of the Company available for payment of dividend. The adequacy of debenture redemption reserve (DRR) will be 25% of the value of outstanding debentures. Accordingly an amount of INR 499.73 lakh has been transferred to debenture redemption reserve (DRR) for the year ended March 31, 2019 (March 31, 2018: INR 499.73 lakh).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

16. Borrowings (at amortised cost)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Secured		
Debentures		
9.20% non-convertible debentures (refer note 43)	**20,000.00**	20,000.00
Term loan from banks		
Foreign currency loan	**16,457.13**	24,408.48
Indian rupee loan	**219,634.08**	140,105.57
	236,091.21	164,514.05
Unsecured		
Finance lease obligations [refer note 34 (c)]	**98.26**	98.26
Current maturities of long-term borrowings (refer note-21)		
Foreign currency loans from banks	**(6,765.78)**	(8,961.26)
Indian rupee loans from banks	**(7,144.44)**	(6,458.33)
	(13,910.22)	(15,419.59)
Total	**242,279.25**	**169,192.72**
Current		
Secured		
Cash credit from banks	**7,635.31**	12,894.94
Bank overdraft	**2,546.90**	9,942.66
Working capital demand loan	**6,400.00**	7,500.00
Other borrowings	**682.10**	2,176.80
	17,264.31	32,514.40
Unsecured		
Commercial Papers	**19,796.23**	-
Buyers credit	**1,575.29**	8.86
Working capital short term loan	**-**	9,000.00
Loans from directors and their relatives	**2,363.45**	1,520.58
Total	**40,999.28**	**43,043.84**
Aggregate value of secured loans	**259,445.30**	201,608.86
Aggregate value of unsecured loans	**23,833.23**	10,627.70

Terms of borrowings:

Debentures

The Company issued non-convertible debentures (NCDs) on October 14, 2016. These NCDs have been listed on National stock exchange (NSE). It carries interest rate of 9.20% per annum and redeemable after 10 years. These Debentures are secured by all the movable and immovable properties situated at the following locations:

i) Wind mills power projects of the Company situated at Barora Ganv, Taluk Jaisalmer, District Jaisalmer, Rajasthan.

ii) Wind mills situated at Jirkan village, post - Badvan district Mandsaur and Jagoti village , Tehsil Mehidpur, District Ujjain, Madhya pradesh.

iii) Plot no. 42-46 and 49-53, MPAKVN Growth centre, Sidhgawan, Sagar, Madhya Pradesh.

iv) Village and post - Bithauli, P.S. Bhagwanpur, District - Vaishali, Bihar

Foreign currency loan from banks

For foreign currency loan from banks, mentioned in point (a) and (b) below, the Company has also entered into currency options and Interest rate swap agreement whereby the Company receives applicable floating rate of interest and pays interest at a fixed rate. The swap is being used to hedge the exposure to changes in the fair value of its floating rate external commercial borrowing and currency option is being used to convert loan at a strike rate upto a cap limit.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

a) Foreign currency loan taken from Standard Chartered bank of USD 64.70 lakh (outstanding as on March 31, 2019: USD 53.28 lakh, March 31, 2018: 64.70 lakh) taken on July 14, 2017, carrying interest @ LIBOR plus 1.50% as per the terms of loan agreement. The loan is repayable in 17 quarterly installments of USD 3.81 lakh each, commencing from July 12, 2018.

Foreign currency loan taken from Standard Chartered bank of USD 135.29 lakh (outstanding as on March 31, 2019: USD 79.58 lakh, March 31, 2018: USD 111.42 lakh) taken on September 30, 2016, carries interest @ LIBOR plus 1.50% per the terms of loan agreement. The loan is repayable in 17 quarterly installments of USD 7.96 lakh each, commencing from September 29, 2017.

These loans are secured by:-

First and exclusive charge by way of equitable mortgage of the immovable properties, all movable fixed assets and all plant & machinery attached to the earth at following locations:

(i) Plot No. 3A 6 & 7, Industrial Area, IIE BHEL, Sector 3, Ranipur, Haridwar district, Uttaranchal.

(ii) Plot No. 4, Udyog Vihar, Ecotech-02, Greater Noida Industrial Development Area, District-Gautam Budh Nagar, UP.

First and exclusive charge of all movable fixed assets at following locations:

(i) Site - Sammana, village - Naga gaon, kalavad, District - Jamnagar, Gujarat

b) Foreign currency loan taken from Citi bank of USD 140.00 lakh (outstanding as on March 31, 2019: USD 87.50 lakh, March 31, 2018: USD 122.50 lakh) taken on July 29, 2016, carrying interest @ LIBOR plus 1.20% as per the terms of loan agreement. The loan is repayable in 16 quarterly installments of USD 8.75 lakh each, commencing from November 30, 2017.

Foreign currency loan taken from Citi bank of USD 200.00 lakh (outstanding as on March 31, 2019: USD 14.50 lakh, March 31, 2018: USD 72.50 lakh) taken on May 27, 2014, carries interest @ LIBOR plus 1.85% as per the terms of loan agreement. The loan is repayable in 4 quarterly installments of USD 6.50 lakh each, commencing from August 27, 2015, and 12 quarterly installments of USD 14.50 lakh each, commencing from August 27, 2016.

These loans are secured by:

(i) First exclusive charge by way of equitable mortgage on land & building located at

1. Factories - Unit 1 to Unit IV in Dhar
2. Factory at Aurangabad
3. Factories at Dev Bhoomi industrial estate, Roorkee, Haridwar
4. Factories at Rania, Kanpur, Uttar Pradesh

(ii) Exclusive charge on company's plant & machinery at:

1. Factories - Unit 1 to Unit IV in Dhar,
2. Factory at Aurangabad
3. Factories at Dev Bhoomi industrial estate, Roorkee, Haridwar
4. Factories at Rania, Kanpur, Uttar Pradesh
5. Wind farm located at Tamil Nadu"

Indian rupee term loan

a). Indian Rupee loan from State Bank of India of INR 10,000.00 lakh (outstanding as on March 31, 2019: INR 1,999.68 lakh, March 31, 2018: INR 4,499.68 lakh), carries interest @ Base Rate plus 0.55%. The loan is repayable in 14 quarterly installments of INR 500.00 lakh each, commencing from September 30, 2015, and 3 quarterly installments of INR 1,000.00 lakh each, commencing from March 31, 2019. The loan is secured by collateral security having written down value of fixed assets at least 125% of loan amount instead of extension of charge on assets created out of the loan amount. Also, personal guarantees are given by Mr. Bimal Kumar (Managing Director) and Mr. Murli Dhar (Executive Chairman).

b). Indian Rupee loan from State Bank of India of INR 2,500.00 lakh (outstanding as on March 31, 2019: INR 959.12 lakh, March 31, 2018: INR 1,459.95 lakh), carries interest @ Base Rate plus 0.55%. The loan is repayable in 20 quarterly installments of INR 125.00 lakh each, commencing from June 30, 2017. The loan is secured by first charge on fixed assets (present or future) at Plot no. E-5, Site - V, UPSIDC, Greater Noida, owned by the Company. Also, personal guarantees are given by Mr. Bimal Kumar (Managing Director) and Mr. Murli Dhar (Executive Chairman).

c). Indian Rupee loan from Yes bank of INR 20,000.00 lakh (outstanding as on March 31, 2019: INR 16,666.67 lakh, March 31, 2018: 20,000.00), carries interest @ 3 months MCLR. The loan is repayable in 18 quarterly installments of INR 1,111.11 lakh each, commencing from September 29, 2018. The loan is secured by subservient charge on all the current assets and movable fixed assets (both present and future) of the Company except assets of Soda ash plant.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

d). Indian Rupee loan Sanctioned of INR 230,000.00 lakh and actual draw down INR 199,472.62 lakh (outstanding as on March 31, 2019: INR 199,472.62 lakh, March 31, 2018: INR 114,145.94 lakh) for Soda Ash project from consortium of banks led by State Bank of India carries interest rate @ MCLR plus spread ranged 0.00% to 0.60% between. During the year ended March 31, 2019, interest rate ranged between 8.50% to 9.00%. The loan is repayable in 52 quarterly installments commencing from January 01, 2021. The loan is secured by a first pari passu charge on the following:

1. On the entire immovable properties such as the land and building and structures pertaining to the Project both present and future;
2. On all the entire movable Fixed Assets of the Project, both present and future;
3. On all revenues / receivables accruing to the Project and the Trust and Retention Account, and
4. All investments made out of any proceeds lying in the Trust and Retention Accounts, DSR Account.
5. Cash flows of the Borrower to the extent of the deemed Cash Flows of the Proiect as per the business plan.
6. Charge by way of hypothecation / assignment by way of security of all rights, titles and interests of the borrower into and under all project documents, other agreements and contracts (including insurance contracts), permits and approvals relating to the Project, to which the borrower is a party and which can be legally assigned;

e). Indian Rupee loan Sanctioned of INR 1,200.00 lakh and draw down INR 849.92 lakh (outstanding as on March 31, 2019: INR 849.92 lakh) for Sanitary Napkin project from State Bank of India carries interest rate @ MCLR plus spread of 0.60%. During the year ended March 31, 2019, interest rate ranged between 8.75% to 9.00%. The loan is repayable in 24 quarterly installments commencing from June 30, 2019. The loan is secured by a first pari passu charge on the following:

1. On the entire Current assets present and future;
2. On all the entire movable Fixed Assets of the Project, both present and future;
3. On all revenues / receivables accruing to the Project and the Trust and Retention Account, and
4. All investments made out of any proceeds lying in the Trust and Retention Accounts, DSR Account.
5. Cash flows of the Borrower to the extent of the deemed Cash Flows of the Proiect as per the business plan.
6. Charge by way of hypothecation / assignment by way of security of all rights, titles and interests of the borrower into and under all project documents, other agreements and contracts (including insurance contracts), permits and approvals relating to the Project, to which the borrower is a party and which can be legally assigned; "

Cash credit and Working capital demand loan

The Company has availed cash credit facility and working capital demand loan facility from various banks of INR 14,035.31 lakh (March 31, 2018: INR 29,394.94 lakh) and they carry interest rate from ranging from 7.75% p.a to 9.15% p.a. These loans are secured by first charge on pari passu basis with multiple banking arrangement over entire current assets (present and future) of the company consisting of raw material, stock in process, finished goods, stores & spares, goods in transit, book debts and all other current assets.

Bank Overdraft

The Company has availed overdraft facilities from various banking institutions of INR 2,546.90 lakh (March 31, 2018: INR 9,942.66 lakh) and they carry interest rate ranging from 8.00% p.a to 13.0% p.a.

The Overdraft facilities from Standard Chartered Bank and Yes Bank are secured by First charge on pari passu basis with multiple banking arrangement over entire current assets (present and future) of the company consisting of raw material, stock in process, finished goods, stores & spares, goods in transit, book debts and all other current assets

The overdraft facilities from HDFC Bank are secured by pledge of investments:-

1- Aditya Birla Sunlife Credit risk fund(formly known as Birla Sunlife Corporate Bond Fund - Growth Regular) Units - 59.49 Lakhs.
2- Aditya Birla Sunlife Credit risk fund(formly known as Birla Sunlife Corporate Bond Fund - Growth Regular) Units- 62.61 Lakhs.
3- DSP Credit Risk Fund(formly known as DSP Blackrock Income Opportunity Fund) Units - 19.43 lakhs.
4- ICICI prudential medium term bond fund(formly known as ICICI prudential Corporate Bond Fund - Direct Plan - Growth) Units - 20.33 Lakhs.
5- Kotak Credit risk fund (Kotak Income Opportunity Fund - Direct Plan – Growth) Units- 28.83 Lakhs.
6- SBI credit risk fund- Direct plan (SBI Corporate Bond Fund - Direct Plan - Growth) Units - 39.92 Lakhs.
7- UTI Credit risk fund (UTI - Income Opportunity Fund - Direct Plan - Growth) Units - 34.41 Lakhs.
8- UTI Fixed Term Income Fund Series XXIX- IX(1109 Days)-Direct Growth Plan Advisor Units 300.00 Lakhs.

(Amount in INR lakh, unless otherwise stated)

The overdraft facilities from SBI Bank are secured by pledge of invstments SBI Short Term Debt Fund - Direct Plan 59.16 lakhs Units.

Other Borrowing

The Company has availed short-term borrowing facility from banks in respect of import duty financing, import invoice financing and loan against trust receipts (LATR). Amount outstanding as on March 31, 2019 was INR 682.30 lakh (March 31, 2018 : Rs. 2185.66 lakh) being interest rate ranging from 8% to 10%. The borrowing facilities are secured by 1st charge over stocks of raw material, stock in process, finished goods, stores & spares and goods in transit and book debts of the Company and payable in 60 days to 150 days from the date of facilities availed.

Loans from directors and their relatives

The Company has taken loan from directors and their relatives amounting to INR 2,194.15 lakh as on March 31, 2019 (March 31, 2018: INR 1,351.28 lakh) bearing interest rate of 7.50% p.a. (March 31, 2018: 9.00% p.a.).

Buyers Credit

The Company has taken buyers credit facility from a Bank amounting to INR 1,575.05 lakh as on March 31, 2019 (March 31, 2018: INR Nil) bearing interest rate of 3.41% p.a. and the same is unsecured in nature and is repayable on June 21, 2019.

Commercial Papers

The Company has issued commercial papers (unsecured) during the year to Banking institutions and mutual fund companies and carrying value as at March 31 2019 is INR 19,796.23 lakh (March 31, 2018 Nil), bearing interest rate of 7.65% and 7.90% p.a. respectively. The commercial papers are repayable by May 24, 2019.

(Amount in INR lakh, unless otherwise stated)

17. Provisions

Particulars	As at March 31, 2019	As at March 31, 2018
Non - current		
Provision for employee benefits		
Provision for gratuity (refer note 33)	**2,159.77**	1,734.18
Provision for leave benefits	**713.34**	699.73
Total	**2,873.11**	**2,433.91**
Current		
Provision for employee benefits		
Provision for gratuity (refer note 33)	**0.75**	0.29
Provision for leave benefits	**313.22**	209.53
Other provisions		
Provision for contingencies**(refer note-43)	**73.92**	44.35
Provision for wealth tax	**-**	8.50
Total	**387.89**	**262.67**

****Movement in provisions**

Particulars	Provision for contingencies	Provision for wealth tax
At April 01, 2017	**10.50**	**8.50**
Movement during the year	**33.85**	-
At March 31, 2018	**44.35**	**8.50**
Movement during the year	**29.57**	(8.50)
At March 31, 2019	**73.92**	**-**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

18. Income Tax

The Deferred Tax as reported in Balance Sheet as at March 31, 2019 and March 31, 2018 are:

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liabilities (net)	**11,625.36**	7,730.68
Total	**11,625.36**	**7,730.68**

Statement of profit and loss:

Profit or loss section

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax	**8,784.64**	10,698.91
Adjustment of tax related to earlier periods	**(7.96)**	(488.40)
Deferred tax	**3,808.61**	2,547.82
Income tax expense reported in the statement of profit or loss	**12,585.29**	**12,758.33**

OCI section

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax related to items recognised in OCI during in the year:		
Net (gain) / loss on remeasurements of defined benefit plans	**50.72**	(259.07)
Income tax charged to OCI	**50.72**	**(259.07)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018:

Particulars	March 31, 2019	March 31, 2018
Accounting profit before income tax	**38,783.40**	39,525.62
At statutory income tax rate	**13,410.24**	13,861.70
Adjustments:		
Permanent difference on account of following:		
Expenses not allowed under Income tax act	**369.18**	268.53
Income not taxable under Income tax act	**(2.62)**	(695.26)
Tax incentives given under Income tax act	**(1,472.69)**	(312.26)
Tax matters related to earlier periods	**-**	(488.40)
Effect of higher tax rate	**(7.50)**	65.08
Others	**288.68**	58.94
At the effective income tax rate of 32.45% (March 31, 2018: 32.28%)	**12,585.29**	**12,758.33**
Income tax expense reported in the statement of profit and loss	**12,585.29**	**12,758.33**

Deferred tax:

Particulars	Balance Sheet	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax liability on:		
Accelarated depreciation for tax purposes	**(23,732.53)**	(9,246.99)
Subsidy from Government	**(12.85)**	-
Fair value adjustments of investments	**(472.68)**	(666.20)
	(24,218.06)	(9,913.19)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Particulars	Balance Sheet	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax asset on:		
Post-employment benefits	**1,016.75**	872.53
Expenses allowable for tax purposes on payment basis	**566.39**	599.56
Provision for doubtful debts and advances	**391.00**	378.35
Unabsorbed Depreciation & losses	**2,635.99**	-
Subsidy from Government	**-**	256.97
MAT credit entitlement	**7,929.18**	34.12
Other	**53.39**	36.49
Impact of foreign currency translation reserve	**-**	4.49
	12,592.70	2,182.51
Net deferred tax (liabilities)	**(11,625.36)**	**(7,730.68)**

Particulars	Statement of profit and loss	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax relates to the following:		
Accelarated depreciation for tax purposes	**(14,485.54)**	(1,797.29)
Post-employment benefits	**144.23**	(66.56)
Expenses allowable for tax purposes on payment basis	**21.69**	(401.82)
Subsidy from Government	**(269.82)**	(880.48)
Fair value adjustments of investments	**193.53**	108.19
Provision for doubtful debts and advances	**12.65**	(17.49)
Unabsorbed Depreciation & losses	**2,635.99**	-
MAT credit entitlement	**7,929.18**	(2.10)
Others	**9.48**	250.66
Net deferred tax (charge)	**(3,808.61)**	**(2,806.89)**

Reflected in the balance sheet as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax assets	**12,592.70**	2,182.51
Deferred tax liabilities	**(24,218.06)**	(9,913.19)
Deferred tax assets (net)	**5.42**	38.24
Deferred tax liabilities (net)	**(11,630.78)**	**(7,768.92)**

Reconciliation of deferred tax liabilities (net):

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance	**(7,730.68)**	**(4,928.28)**
Tax (expense) during the year recognised in profit or loss	(3,808.61)	(2,547.82)
MAT adjustment	(34.12)	-
Impact of FCTR	**(1.23)**	4.49
Tax (expense) during the year recognised in OCI	**(50.72)**	(259.07)
Closing balance	**(11,625.36)**	**(7,730.68)**

Pursuant to The Taxation Laws (Amendment) Ordinance, 2019 (Ordinance) issued subsequent to the balance sheet date, the domestic companies have been given an option to pay income tax at the rate of 22% plus applicable surcharge and cess from the financial year 2019-20 onwards subject to the condition that they will not avail any other exemption/ incentive.

In view of unabsorbed depreciation, tax losses and accumulated MAT credit, the Group is evaluating the above option and impact thereof, if any, will be adjusted in the year in which the option will be exercised.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

19. Other liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Deferred subsidy related to government grant** (refer note 32(f))	**26,902.48**	40,954.34
Others	**916.79**	883.97
Total	**27,819.27**	**41,838.31**
Current		
Advance from dealers*	**9,861.74**	8,897.67
Deferred subsidy related to government grant** (refer note 32(f))	**3,332.21**	1,438.05
Statutory liabilities	**4,407.39**	3,268.65
Total	**17,601.34**	**13,604.37**

* Represents non-interest bearing advances received from customers.

**Movement of Government Grant

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance	**42,392.39**	**9,621.47**
Sanctioned during the year	**-**	36,431.13
Remaining eligibility	**-**	-
Released to the statement of profit and loss	**1,420.38**	3,660.21
Adjustment on account of re-assessment (refer note 32(f))	**10,737.32**	-
Closing balance	**30,234.69**	**42,392.39**
Current	**3,332.21**	1,438.05
Non-current	**26,902.48**	40,954.34

20. Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of micro enterprises and small enterprises	**2,700.94**	542.79
Total outstanding dues of creditors other than micro enterprises and small enterprises	**39,191.50**	42,457.18
Total	**41,892.44**	**42,999.97**

Note: Refer note 41 for disclosures under Micro, Small and Medium Enterprises Development Act, 2006.

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30 to 60 days terms except partial advance payment to major raw material vendors.

For terms and conditions with related parties, refer to Note 35 (C).

For explanations on the Group's credit risk management processes, refer to note 39.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

21. Other financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Current maturity of long-term borrowings (refer note 16)	**13,910.22**	15,419.59
Payables on purchase of fixed assets	**32,349.32**	34,399.43
Security deposit received	**2.00**	-
Interest accrued but not due on borrowings	**2,037.20**	1,724.32
Employee benefit payable	**4,786.91**	4,823.19
Books overdraft	**12.27**	25.18
Total	**53,097.92**	**56,391.71**

Terms and conditions of the above financial liabilities:

- Payable to capital creditors are non-interest bearing and are settled as per the terms of purchase orders.
- For explanations on the Group's credit risk management processes, refer to Note 39.

22(a). Current tax liabilities (net)

Particulars	As at March 31, 2019	As at March 31, 2018
Current income tax liabilities (net of advances)	**1,195.26**	45.10
Total	**1,195.26**	**45.10**

22(b). Income tax assets (net)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance tax (net of provision for taxation)	**3,400.83**	3,168.12
Total	**3,400.83**	**3,168.12**

23. Revenue from operations

(a). Revenue from Contracts with customers

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from Contracts with Customers		
Finished goods*	**460,244.21**	452,582.49
Total Revenue	**460,244.21**	**452,582.49**

* Excise duty collected from customers included in sale of products amounted to INR Nil (March 31, 2018: INR 9,020.02 lakh). Sales of product net of excise duty is INR 460,244.21 (March 31, 2018: INR 443,562.47 lakh). Refer note-46.

(b). Other operating revenue

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Other operating revenue		
Sale of raw material / by-products	**2,680.65**	2,218.11
Sale of power	**3,655.70**	3,670.23
Sale of others	**1,510.39**	1,387.12
Total Other operating revenue	**7,846.74**	**7,275.46**
Total Revenue from Operations (a+b)	**468,090.95**	**459,857.95**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Disaggregation of revenue from contract with customers:

The Company derives revenue from the transfer of goods at a point in time in the following major product lines and geographical regions:

Segements	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue by Geography:		
Domestic	**451,462.14**	447,561.37
Overseas	**16,628.81**	12,296.58
Total revenue from contract with customers	**468,090.95**	**459,857.95**
Timing of revenue recognition		
At a point in time	**468,090.95**	459,857.95
Total revenue from contract with customers	**468,090.95**	**459,857.95**
Revenue		
External Customer	**468,090.95**	459,857.95
Inter-segment revenue	**-**	-
Inter-segment adjustments/eliminations	**-**	-
Total revenue from contract with customers	**468,090.95**	**459,857.95**

24. Other income

Particulars	For the year ended Martch 31, 2019	For the year ended March 31, 2018
Interest income on financial assets carried at amortised cost:		
Bank deposits	**55.64**	46.39
Others	**43.48**	38.60
	99.12	84.99
Net gain on instruments at fair value through profit and loss		
Fair value gain on investments	**623.47**	918.35
Profit on sale of investments	**106.14**	345.84
Fair value gain on derivative instruments	**668.00**	42.79
	1,397.61	1,306.98
Other non-operating income		
Profit on sale of property, plant and equipment (net)	**-**	493.16
Government grant	**1,420.38**	3,677.59
Foreign exchange fluctuation (net)	**22.69**	1,663.30
Liabilities no longer required, written back	**929.33**	227.79
Miscellaneous income	**520.98**	383.84
	2,893.38	6,445.68
Total	**4,390.11**	**7,837.65**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

25. Cost of materials consumed

a. Raw material consumed

Particulars	For the year ended Martch 31, 2019	For the year ended March 31, 2018
Inventory at the beginning of the year	**36,651.72**	37,481.09
Add: Purchases	**315,053.27**	299,247.64
	351,704.99	336,728.73
Less: Inventory at the end of the year	**(36,063.33)**	(36,651.72)
Net consumption	**315,641.66**	**300,077.01**

b. Change in inventories of finished goods, work-in-progress and others

Particulars	For the year ended Martch 31, 2019	For the year ended March 31, 2018
Inventory at the end of the year		
Finished goods	**13,853.59**	11,451.85
Work in progress*	**9,335.47**	7,140.97
Others	**103.37**	208.16
Inventory at the beginning of the year		
Finished goods	**(11,451.85)**	(16,580.30)
Work in progress	**(7,140.97)**	(7,325.28)
Others	**(208.16)**	(681.64)
Net (increase)/ decrease	**(4,491.45)**	**5,786.24**

* Includes INR 67.21 lakh (March 31, 2018: INR: Nil) produced from the trial run of Soda ash plant.

26. Employee benefits expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, wages and bonus etc.	**31,100.06**	29,188.36
Contribution to provident fund and other funds (Note 33)	**1,938.63**	1,928.86
Gratuity expense (Note 33)	**584.24**	854.77
Staff welfare expenses	**669.75**	752.95
Total	**34,292.68**	**32,724.94**

27. Depreciation and amortization expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on property, plant and equipment [refer to note 3 (a)]	**9,566.75**	8,114.69
Depreciation on investment property (refer note 4)	**51.16**	51.38
Amortisation on intangible assets [refer to note 5 (a)]	**267.64**	130.98
Total	**9,885.55**	**8,297.05**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

28. Finance costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest expense:		
on bank borrowings	**7,382.87**	5,445.97
to directors and their relatives	**223.43**	85.44
to others	**170.34**	15.70
Other finance charges	**212.82**	188.34
Total	**7,989.46**	**5,735.45**

The above does not include interest on borrowings amounting to INR 17,070.22 lakh (March 31, 2018 INR: 8,103.86 lakh) capitalised as borrowing cost on the qualifying assets. Refer note -44.

29. Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Power and fuel	**9,438.65**	7,796.39
Rent	**1,250.87**	1,086.39
Rates and taxes	**654.86**	1,081.46
Insurance	**367.37**	360.61
Repairs and maintenance:		
Plant and machinery	**8,617.57**	8,218.96
Buildings	**1,068.86**	490.85
Others	**166.86**	386.96
CSR expenditure (refer details below)	**1,018.74**	496.12
Donations	**29.60**	249.72
Advertisement	**17,808.36**	15,110.09
Sales promotion	**3,480.17**	3,741.52
Contract labour	**4,981.62**	4,016.44
Freight and forwarding charges	**14,031.09**	13,307.63
Travelling and conveyance	**4,653.64**	3,874.34
Postage, telegram and telephone	**584.67**	489.93
Printing and stationery	**124.49**	308.05
Legal & professional fees	**996.48**	1,418.23
Payment to auditor (refer details below)	**185.19**	181.38
Exchange differences (net)	**28.19**	-
Balances written off	**6.49**	2,395.15
Provision for doubtful loans & advances	**36.21**	308.96
Provision for contigencies	**29.57**	-
Royalty	**34.80**	-
Loss on sale of fixed assets (net)	**69.24**	-
Property, plant and equipment written off	**6.15**	780.60
Miscellaneous expenses	**710.02**	429.49
Total	**70,379.76**	**66,529.27**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Payment to auditors:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
As auditor:		
Audit fee*	**127.39**	140.00
Limited review	**40.00**	25.00
Tax audit	**2.10**	2.00
In other capacity:		
Other Services	**3.00**	4.50
For reimbursement of expenses	**12.70**	9.88
	185.19	181.38

*Fees for year ended March 31, 2019 includes INR 10.00 lakh of audit fee for the year ended March 31, 2018. Fees for year ended March 31, 2018 includes INR 20.00 lakh of audit fee for the year ended March 31, 2017.

Details of CSR expenditure:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Gross amount required to be spent by the Company during the year	**940.40**	877.94
Particulars	**In Cash**	**In Cash**
Amount spent during the year		
(i) Construction/acquisition of asset	**107.68**	183.19
(ii) on purposes other than (i) above (refer note 35B)	**911.06**	312.93
(Amount excess spent)/ amount required to be spent	**(78.34)**	**381.82**

30. Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Re-measurement (gain) / losses on defined benefit plans	**(145.01)**	(748.66)
Income tax effect on above	**50.72**	259.07
Foreign Currency Translation Reserve loss	**44.78**	70.19
Total	**(49.51)**	**(419.40)**

31. Earnings per share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations :

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit attributable to equity holders of the parent	**26,198.11**	26,767.29
Weighted average number of equity shares used for computing Earning per Share (Basic and Diluted)	**44,032,500**	44,032,500
Basic and diluted earning per share (INR)	**59.50**	**60.79**
Face value per share (INR)	10.00	10.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Reconciliation of weighted average number of equity shares for calculation of Basic and Diluted earnings per share:

Particulars	Number of equity shares	Weighted average number of shares
Equity shares of face value of INR 10 per share:		
As at April 01, 2017	**44,032,500**	**44,032,500**
Issued during the year 2017-18	-	-
As at March 31, 2018	**44,032,500**	**44,032,500**
Issued during the year 2018-19	-	-
As at March 31, 2019	**44,032,500**	**44,032,500**

32. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

a. Operating lease commitments – Group as a lessee

The Group has entered into lease agreements with lessor and has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it does not retains the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Also pursuant to requirements of Ind-AS 17, the Group has assessed straight lining of lease rentals only in cases where the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. However, no adjustments has been done based on such assessment.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

b) Taxes

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement 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.

c) Defined benefit plans (gratuity benefits)

Refer note 2(o) for the policy in relation to the defined benefit plans.

d) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 36 and 37 for further disclosures.

e) Impairment of financials assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

f) Government grant- Subsidy recceivable

Pursuant to the "Bihar Industrial Incentive policy -2011", with regard to the Company's investment in plant and machinery and certain other assets in the state of Bihar upto June 30, 2016, the Company is entitled to receive a reimbursement of 80% of net Value Added Tax (VAT) paid by the Company within a period of 10 years from the date of the eligibility certificate and upto 300% of the total investment in plant and machinery and certain other assets.

Post implementation of Goods and service tax (GST) with effect from July 1, 2017, the VAT/CST acts have been repealed. However, the government of Bihar has not issued any clarification with regard to the applicability of the above incentive scheme. The Bihar Industries Association (BIA) of which company is a part, has filed a writ with the Hon'ble Patna High Court in respect of the Government of Bihar to issue relevant circular on the application of above scheme under GST Act.

Based upon the discussion with BIA, the management is confident that the writ petition will be decided in favour of the industries Association, without any modification to the earlier incentive scheme as mentioned above.

Accordingly, the Company has estimated the quantum of sales within the state of Bihar over the balance period and consequential SGST thereupon, to the extent of 80% amounting to INR 25,693.81 lakh (March 31, 2018 INR 36,431.13 lakh) has been recorded as subsidy recoverable with a corresponding deferred revenue of INR 22,383.85 lakh (March 31, 2018 INR 33,683.21 lakh).

Per the accounting policy followed by the Company INR 562.04 lakh (March 31, 2018 INR 2,765.30 Lakh) has been recouped in the profit and loss account as 'Other income', over the period of 10 years.

Basis the current economic situation, the demand of the Company's products in the state of Bihar and other factors, the Company regularly revisits the quantum of sales and consequent SGST payable and government grant. Any change in such estimates are recognised prospectively.

Consequent to such change in estimates in the current year, 'Other Income' and 'profit before tax' is lower by INR 1,380.03 Lakh.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

33. Employee benefit plans

Defined Contribution Plans

Retirement benefits in the form of provident fund and employee state insurance are defined contribution schemes. The detail of contribution is as under:

Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Provident fund*	**1,362.42**	1,325.24
Employee's state insurance	**627.26**	629.56
Amount capitalised	**(51.05)**	(25.94)
Total contribution	**1,938.63**	**1,928.86**

*There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. The Group has assessed its compensation structure and does not identify any allowances on which PF should be deposited or provision to be made.

<u>**Defined Benefit Plans**</u>

Gratuity:

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review.

The Group is maintaining a fund with the SBI Life Insurance Company Limited (SBI) to meet its gratuity liability. The present value of the plan assets represents the balance available with the SBI as at the end of the year. The total value of plan assets is as certified by the SBI.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

Changes in the present value of the defined benefit obligation are as follows:

Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Defined benefit obligation at the beginning of the year	**3,108.34**	2,997.45
Service cost*	**526.12**	730.48
Interest cost	**211.98**	218.98
Benefits paid	**(169.26)**	(101.88)
Actuarial (gain) on obligations - OCI	**(156.33)**	(736.66)
Acquisitions (credit)	**(58.20)**	-
Exchange difference**	**3.85**	(0.03)
Defined benefit obligation at the end of the year	**3,466.50**	**3,108.34**

* Includes expenses of one of the subsidiary in which liability has been determined on actual basis.

** Exchange differences arise due to conversion of gratuity expenses and closing liability from TAKA (foreign currency) to INR (functional currency).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Changes in the fair value of plan assets are, as follows:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Fair value of plan assets at the beginning of the year	**1,373.87**	1,257.77
Contribution by employer	**-**	100.00
Benefits paid	**(168.09)**	(90.57)
Interest Income	**95.45**	94.69
Return on Plan Assets excluding Interest Income	**4.75**	11.98
Fair value of plan assets at the end of the year	**1,305.98**	**1,373.87**

Reconciliation of fair value of plan assets and defined benefit obligation:

Particulars	March 31, 2019	March 31, 2018
Defined benefit obligation	**3,466.50**	3,108.34
Fair value of plan assets	**(1,305.98)**	(1,373.87)
Amount recognised in the balance sheet	**2,160.52**	**1,734.47**

Amount recognised in statement of profit and loss:

Particulars	March 31, 2019	March 31, 2018
Current service cost	**526.12**	730.48
Net interest expense	**116.53**	124.29
Amount capitalised	**(58.41)**	-
Amount recognised in Statement of Profit and Loss	**584.24**	**854.77**

Amount recognised in other comprehensive income:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Actuarial (gain) on obligation	**(156.33)**	(736.68)
Return on plan asset excluding interest income	**(4.75)**	(11.98)
Amount capitalised	**16.07**	-
Amount recognised in other comprehensive income	**(145.01)**	**(748.66)**

The major categories of plan assets for gratuity plan are as follows:

Particulars	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
Investment Details	**Funded**	Funded	**Funded**	Funded
Investment with Insurer (State bank of India)	**100%**	100%	**100%**	100%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

The principal assumptions used in determining gratuity liability for the Group's plans are shown below:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Discount rate	**7.20%**	**7.40%**
Future salary increases	**5.00% p.a. for workers 7.50% p.a. for staff**	5.00% p.a. for workers 7.50% p.a. for staff
Mortality rate	**IALM (2006-08)**	IALM (2006-08)

A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:

Gratuity Plan	Sensitivity level		Impact on DBO	
Particulars	**March 31, 2019**	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**
Assumptions				
Discount rate	**0.50%**	0.50%	**(94.23)**	-81.28
	-0.50%	-0.50%	**99.78**	86.08
Future salary increases	**0.50%**	0.50%	**98.48**	85.65
	-0.50%	-0.50%	**(94.00)**	-81.82
Attrition rate	**0.50%**	0.50%	**(3.22)**	-2.86
	-0.50%	-0.50%	**3.10**	2.70

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Sensitivities due to mortality and withdrawals are insignificant and hence ignored.

Sensitivities as to rate of inflation, rate of increase of pensions in payments, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	March 31, 2019	March 31, 2018
Within the next 12 months (next annual reporting period)	**500.36**	559.85
Between 2 and 5 years	**2,220.53**	1,963.89
Between 5 and 10 years	**3,601.97**	3,340.51
Total expected payments	**6,322.86**	**5,864.25**

34. Commitments and Contingencies

A. Commitments

Particulars	As at March 31, 2019	As at March 31, 2018
Estimated value of contracts in capital account remaining to executed (net of advance)	**38,948.17**	42,484.43
Total	**38,948.17**	**42,484.43**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

B. Operating leases

The Group has entered into commercial leases on certain immovable property. These leases have different life period ranging from one to ninety nine years with separate escalation clauses between 5 to 10% p.a. There are no restrictions placed upon the Group by entering into these leases and there are no sub leased. There are no contingent rents.

The Group has paid INR 1,250.87 lakh (March 31, 2018: INR 1,086.39 lakh) during the year towards lease payment.

Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Within one year	**218.99**	101.45
After one year but not more than five years	**178.59**	130.28
More than five years	**-**	30.84

C. Finance lease commitments

The Group has taken finance lease on certain land parcels. The Group's obligation under the finance lease are secured by lessor's title to leased assets. Future minimum lease payments under finance leases together with present value of minimum lease payments are, as follows:

Particulars	As at March 31, 2019	
	Minimum lease payments	Present value of MLP
Not later than one year	**10.27**	9.18
Later than one year but not later than five years	**41.08**	38.68
Later than five years	**806.11**	50.40
Total minimum lease payments	**857.46**	**98.26**
Less: amounts representing finance charges	**759.20**	-
Present value of minimum lease payments	**98.26**	**98.26**

Particulars	As at March 31, 2018	
	Minimum lease payments	Present value of MLP
Not later than one year	10.27	9.18
Later than one year but not later than five years	41.08	38.68
Later than five years	806.11	50.40
Total minimum lease payments	857.46	98.26
Less: amounts representing finance charges	759.20	-
Present value of minimum lease payments	98.26	98.26

D. Contingent liabilities

Claims against the Group not acknowledged as debts*:

Particulars	As at March 31, 2019	As at March 31, 2018
Sales tax matters	**345.28**	446.24
Excise duty and service tax matters	**287.51**	325.76

* It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements / decisions pending with various forums / authorities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Sales tax, Excise and Service tax matters

The Company's pending litigation comprises of claims against the Company pertaining to proceeding pending with excise, sales tax/VAT and other authorities on account of certain disallowances. The Company has reviewed all its pending litigation and proceedings and has adequately provided for where provision are required and disclosed as contingent liability, where ever applicable, in its financial statements. Based on experts advice, the company is confident that the matter will be resolved in its favour.

35. Related party transactions

A. Name of related party and relationship

Key Management Personnel

Mr. Murli Dhar	Executive Chairman
Mr. Bimal Kumar	Managing Director
Mr. Rahul Gyanchandani	Joint Managing Director
Mr. Manoj Kumar	Whole Time Director
Mr. Rohit Gyanchandani	Whole Time Director
Mr. Naresh Kumar Phoolwani	Non-executive Director (appointed w.e.f. January 01, 2017)
Mr. Sushil Kumar Bajpai	Company Secretary and Chief Financial Officer

Others (Non-Executive)

Mrs. Kamla Devi	Non-executive Director
Dr. R.P. Singh	Independent Director
Dr. J.N. Gupta	Independent Director
Mrs. Renuka Gulati	Independent Director

Enterprises in which Key Management personnel, others (non-executive) or their relatives have control/ significant influence

Rene Solutions

Leayan Global Private Limited

Nimmi Build Tech Private Limited

NIF Private Limited

Serene Finmart Private Limited

Relatives of Key Managerial Personnel

Mrs. Kamla Devi	Wife of Mr. Murli Dhar
Mrs. Seema Gyanchandani	Wife of Mr. Rahul Gyanchandani
Mrs. Rajani Gyanchandani	Wife of Mr. Manoj Kumar

A body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager

Laxmi Devi Dayal Das Charitable Trust

RSPL Welfare Foundation

RSPL Limited employees gratuity trust

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Nature of transactions	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of Goods	Leayan Global Private Limited	**1.78**	4.10
Sale of Goods	Laxmi Devi Dayal Das Charitable Trust	**-**	0.39
Sale of Goods	NIF Private Limited	**56.38**	28.56
Sale of Fixed Asset	NIF Private Limited	**16.21**	33.48
Sale of Fixed Asset	Leayan Global Private Limited	**19.46**	63.00
Reimbursement of Lease hold improvement expenses	NIF Private Limited	**23.22**	-
Reimbursement of Lease hold improvement expenses	Leayan Global Private Limited	**23.22**	-
Reimbursement of Common cost allocation expenses	NIF Private Limited	**73.89**	60.65
Reimbursement of Common cost allocation expenses	Leayan Global Private Limited	**20.08**	21.99
Reimbursement of SAP Maintenance expenses	Leayan Global Private Limited	**60.81**	11.81
Reimbursement of SAP Maintenance expenses	NIF Private Limited	**92.50**	1.00
Reimbursement of SAP Cost	Leayan Global Private Limited	**209.32**	-
Reimbursement of SAP Cost	NIF Private Limited	**317.59**	-
Purchase of Goods	NIF Private Limited	**25.48**	20.46
Purchase of Goods	Leayan Global Private Limited	**4.00**	1.18
Purchase of Property, Plant and equipment	Leayan Global Private Limited	**5.00**	-
Rent Received	Leayan Global Private Limited	**36.20**	44.03
Rent Received	NIF Private Limited	**8.40**	8.40
Rent Received	Laxmi Devi Dayal Das Charitable Trust	**0.60**	0.60
Rent Paid	Mr. Murli Dhar	**9.15**	9.00
Rent Paid	Mr. Bimal Kumar	**25.35**	22.20
Rent Paid	Mr. Manoj Kumar	**20.40**	20.40
Rent Paid	Mr. Rohit Gyanchandani	**14.70**	11.70
Rent Paid	Mr. Rahul Gyanchandani	**11.70**	11.70
Rent Paid	Mrs. Seema Gyanchandani	**14.40**	14.40
Rent Paid	Serene Finmart Private Limited	**84.00**	-
Donation/CSR expenses paid	Laxmi Devi Dayal Das Charitable Trust	**141.50**	111.00
Donation/CSR expenses paid	RSPL Welfare Foundation	**765.00**	-
Sales Promotion expenses paid	Rene Solutions	**189.35**	212.18

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Nature of transactions	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Reimbursement of travelling expenses	Rene Solutions	**-**	-
Reimbursement of expenses	Leayan Global Private Limited	**-**	-
Reimbursement of expenses	NIF Private Limited	**-**	-
Payment made on belhalf of	NIF Private Limited	**18.56**	2.15
Payment made on belhalf of	Leayan Global Private Limited	**1.60**	-
Payment made on belhalf of	Mr. Murli Dhar	**-**	17.01
Payment made on belhalf of	Mr. Bimal Kumar	**-**	102.62
Payment made on belhalf of	Mr. Rahul Gyanchandani	**-**	22.13
Payment made on belhalf of	Mr. Manoj Kumar	**-**	30.39
Payment made on belhalf of	Mr. Rohit Gyanchandani	**-**	102.72
Payment made on belhalf of	Mrs. Seema Gyanchandani	**-**	0.54
Remuneration paid to key Managerial Personnel and others	Mr. Murli Dhar	**1,080.00**	990.00
Remuneration paid to key Managerial Personnel and others	Mr. Rahul Gyanchandani	**900.00**	810.00
Remuneration paid to key Managerial Personnel and others	Mr. Manoj Kumar	**900.00**	810.00
Remuneration paid to key Managerial Personnel and others	Mr. Rohit Gyanchandani	**900.00**	810.00
Remuneration paid to key Managerial Personnel and others	Mr. Naresh Kumar Phoolwani	**4.61**	0.85
Remuneration paid to key Managerial Personnel and others	Mr. Sushil Kumar Bajpai	**49.38**	53.35
Remuneration paid to key Managerial Personnel and others	Mrs. Renuka Gulati	**-**	3.00
Remuneration paid to key Managerial Personnel and others	Dr. J.N. Gupta	**-**	1.80
Remuneration paid to key Managerial Personnel and others	Dr. Rajinder Pal Singh	**-**	2.40
Gratutiy leave encashment and assets transferred	RSPL Welfare	**84.62**	-
Commission paid	Mr. Murli Dhar	**448.39**	457.98
Commission paid	Mr. Bimal Kumar	**448.39**	457.98
Commission paid	Mr. Rahul Gyanchandani	**448.39**	457.98
Commission paid	Mr. Manoj Kumar	**448.39**	457.98
Commission paid	Mr. Rohit Gyanchandani	**448.39**	457.98
Dividend Paid	Mr. Murli Dhar	**580.50**	1,857.60
Dividend Paid	Mr. Bimal Kumar	**550.40**	1,761.28
Dividend Paid	Mr. Rahul Gyanchandani	**330.25**	1,056.80
Dividend Paid	Mr. Manoj Kumar	**330.25**	1,056.80
Dividend Paid	Mr. Rohit Gyanchandani	**330.25**	1,056.80

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Nature of transactions	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Dividend Paid	Mrs. Kamla Devi	**65.93**	210.96
Dividend Paid	Mrs. Rajani Gyanchandani	**14.05**	44.96
Expenses recovered by RSPL Limited	Leayan Global Private Limited	**0.14**	0.18
Expenses recovered by RSPL Limited	NIF Private Limited	**-**	2.28
Security Paid	Serene Finmart Private Limited	**47.42**	-
Loan received back	Leayan Global Private Limited	**-**	930.83
Loan received back	Mr. Naresh Kumar Phoolwani	**0.58**	0.32
Other Recoverable	NIF Private Limited	**586.71**	-
Loans taken during the year	Mr. Murli Dhar	**2,940.00**	3,553.00
Loans taken during the year	Mr. Bimal Kumar	**2,270.00**	3,543.00
Loans taken during the year	Mr. Rahul Gyanchandani	**1,370.61**	1,678.00
Loans taken during the year	Mr. Manoj Kumar	**1,087.00**	1,416.00
Loans taken during the year	Mr. Rohit Gyanchandani	**920.00**	2,121.00
Loans taken during the year	Mrs. Kamla Devi	**-**	216.67
Loans taken during the year	Mrs. Seema Gyanchandani	**5.50**	-
Loans taken during the year	Mrs. Rajani Gyanchandani	**-**	47.00
Interest Paid	Mr. Murli Dhar	**85.53**	22.62
Interest Paid	Mr. Bimal Kumar	**45.53**	22.20
Interest Paid	Mr. Rahul Gyanchandani	**27.95**	12.09
Interest Paid	Mr. Manoj Kumar	**30.13**	9.13
Interest Paid	Mr. Rohit Gyanchandani	**32.70**	11.39
Interest Paid	Mrs. Kamla Devi	**1.12**	5.17
Interest Paid	Mrs. Seema Gyanchandani	**0.01**	0.23
Interest Paid	Mrs. Rajani Gyanchandani	**0.31**	2.61
Loan repayment during the year (including Interest)	Mr. Murli Dhar	**2,644.62**	3,277.52
Loan repayment during the year (including Interest)	Mr. Bimal Kumar	**2,116.39**	3,352.21
Loan repayment during the year (including Interest)	Mr. Rahul Gyanchandani	**1,514.32**	1,371.81
Loan repayment during the year (including Interest)	Mr. Manoj Kumar	**913.94**	1,372.18
Loan repayment during the year (including Interest)	Mr. Rohit Gyanchandani	**710.65**	1,842.29
Loan repayment during the year (including Interest)	Mrs. Kamla Devi	**53.53**	208.91
Loan repayment during the year (including Interest)	Mrs. Seema Gyanchandani	**5.51**	3.28
Loan repayment during the year (including Interest)	Mrs. Rajani Gyanchandani	**14.55**	64.17

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Nature of Balance	Name of related party	As at March 31, 2019	As at March 31, 2018
Balance outstanding as at year end:			
Loan receivable	Mr. Naresh Kumar Phoolwani	**1.34**	-
Loans Payable	Mr. Murli Dhar	**713.12**	332.21
Loans Payable	Mr. Bimal Kumar	**426.97**	227.83
Loans Payable	Mr. Rahul Gyanchandani	**298.85**	414.61
Loans Payable	Mr. Manoj Kumar	**319.09**	115.90
Loans Payable	Mr. Rohit Gyanchandani	**605.43**	363.38
Loans Payable	Mrs. Kamla Devi	**-**	52.41
Loans Payable	Mrs. Rajani Gyanchandani	**-**	14.24
Trade Receivables	Leayan Global Private Limited	**35.46**	33.35
Trade Receivables	NIF Private Limited	**119.09**	54.58
Security Receivables	Serene Finmart Private Limited	**47.42**	-
Other Recoverable	NIF Private Limited	**577.43**	-
Other Recoverable	Leayan Global Private Limited	**427.75**	-
Trade Payables	NIF Private Limited	**(0.81)**	3.73
Trade Payables	Rene Solutions	**16.20**	16.57
Trade Payables	Leayan Global Private Limited	**5.90**	0.15
Payable to Key Management Personnel and others	Mr. Murli Dhar	**344.07**	464.06
Payable to Key Management Personnel and others	Mr. Bimal Kumar	**344.04**	471.98
Payable to Key Management Personnel and others	Mr. Rahul Gyanchandani	**312.86**	468.51
Payable to Key Management Personnel and others	Mr. Manoj Kumar	**305.38**	472.38
Payable to Key Management Personnel and others	Mr. Rohit Gyanchandani	**320.35**	468.51
Payable to Key Management Personnel and others	Mrs. Seema Gyanchandani	**-**	3.24
Investments	Nimmi Buildtech Private Limited	**1.08**	1.08
Investments	Leayan Global Private Limited	**16.93**	16.93

C. Terms and conditions of transactions with related parties

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

D. Transactions with key management personnel

Directors' loans

The Group as per requirements, borrow funds from directors. Such loans are unsecured and the interest rate is determined by the board. Rate of interest for the year ended March 31, 2019 was 7.50% (March 31, 2018: 9%), which is based on market rate. Any loans received are included in financial instruments on the face of the balance sheet.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

E. Compensation of key management personnel of the Group

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Short-term employee benefits	**7,155.94**	6,754.10
Post employment benefits	**-**	-
Other long-term employee benefits	**13.97**	13.97
Termination benefits	**-**	-

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

36. Segment information

For management purposes, the Group is organised into business units based on its products and services and has two reportable segments, as follows:

(i) Fast Moving Consumer Goods (FMCG), and

(ii) Power

The Board of directors monitors the operating results of its business units separately for the purpose of making decisions about resource 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. Also, the Group's financing (including finance costs and finance income) and income taxes are managed on for entire Group and are not allocated to operating segments.

For the year ended March 31, 2019

Particulars	FMCG	Power	Unallocated	Total
Revenue				
External customers	**464,435.25**	**3,655.70**	**-**	**468,090.95**
Total revenue	**464,435.25**	**3,655.70**	**-**	**468,090.95**
Segment result before interest and taxes	**45,214.36**	**1,558.50**	**-**	**46,772.86**
Finance cost	**7,989.46**	**-**	**-**	**7,989.46**
Profit before tax	**37,224.90**	**1,558.50**	**-**	**38,783.40**
Adjustments:				
Current tax	**-**	**-**	**(8,784.64)**	**(8,784.64)**
Deferred tax	**-**	**-**	**(3,808.61)**	**(3,808.61)**
Tax related to earlier years	**-**	**-**	**7.96**	**7.96**
Profit after tax	**37,224.90**	**1,558.50**	**(12,585.29)**	**26,198.11**
Total assets	**629,914.51**	**18,867.49**	**-**	**648,782.00**
Total liabilities	**439,644.70**	**131.84**	**-**	**439,776.54**
Other disclosures				
Depreciation and amortisation	**8,716.09**	**1,169.46**	**-**	**9,885.55**
Capital expenditure	**85,477.43**	**-**	**-**	**85,477.43**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

For the year ended March 31, 2018

Particulars	FMCG	Power	Unallocated	Total
Revenue				
External customers	456,187.72	3,670.23	-	459,857.95
Total revenue	**456,187.72**	**3,670.23**	**-**	**459,857.95**
Segment result before interest and taxes	**43,245.91**	**2,015.16**	**-**	**45,261.07**
Finance cost	5,735.45	-	-	5,735.45
Profit before tax	**37,510.46**	**2,015.16**	**-**	**39,525.62**
Adjustments:				
Current tax	-	-	(10,698.91)	(10,698.91)
Deferred tax	-	-	(2,547.82)	(2,547.82)
Tax related to earlier years	-	-	488.40	488.40
Profit after tax	**37,510.46**	**2,015.16**	**(12,758.33)**	**26,767.29**
Total assets	543,320.16	19,673.38	-	562,993.54
Total liabilities	377,518.19	63.33	-	377,581.52
Other disclosures				
Depreciation and amortisation	7,606.78	690.27	-	8,297.05
Capital expenditure	23,508.71	101.55	-	23,610.26

Geography-wide disclosure

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	FMCG	Power	Unallocated	Total
Revenue from external customers	451,462.14	16,628.81	447,561.37	12,296.58
Total assets of the Group	643,022.55	5,759.45	557,899.18	5,094.36

37. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Notes	Carrying value		Fair value	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Financial assets					
I. Classified and measured at fair value through profit and loss :					
Quoted investments	A	**11,413.71**	15,759.66	**11,413.71**	15,759.66
Investment in unquoted equity shares	B	**18.01**	18.01	**18.01**	18.01
Derivative assets	C	**1,004.25**	336.26	**1,004.25**	336.26

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Particulars	Notes	Carrying value		Fair value	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
II. Classified and measured at amortised cost:					
Security deposits paid	D	**818.31**	808.53	**818.31**	808.53
Total		**13,254.28**	**16,922.46**	**13,254.28**	**16,922.46**
Financial liabilities					
I. Amortised Cost:					
Borrowings	D	256,091.21	184,514.05	256,091.21	184,514.05
Finance lease obligations	D	98.26	98.26	98.26	98.26
Total		**256,189.47**	**184,612.31**	**256,189.47**	**184,612.31**

Notes:

1 The management assessed that cash and cash equivalents, other bank balances, trade receivables, other current assets, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

2 The fair value of the financial assets and liabilities is 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.

3 The following methods and assumptions were used to estimate the fair values:

Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

A. The fair values for investments in quoted securities like mutual funds and debentures are based on price quotations available in the market at each reporting date.

B. The fair values for investments in unquoted equity shares are estimated by valuer following discounted cash flow method.

C. The Group has entered into derivative financial instruments with financial institutions/ banks through Cross currency interest rate swap, foreign currency option contracts and interest rate swap. Such derivatives are valued using valuation techniques, which employs the use of market observable inputs. The Group has valued the same on Mark to Market assessments given by the banks as on date of valuation.

D. The fair values of the financial assets and liabilities like security deposits paid, borrowings, finance lease obligation etc. are determined by using DCF method using discount rate that reflects the issuer’s incremental borrowing rate as at the end of the reporting period. Loan to related parties are loan repayable on demand and accordingly, carrying value and fair value both are same.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

38. Fair value hierarchy

A. Quantitative disclosures of fair value measurement hierarchy for assets as at March 31, 2019:

Particulars	Date of valuation	Total	Fair value measurement		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at Fair value through profit and loss:					
Quoted investments	March 31, 2019	**11,413.71**	**11,413.71**	**-**	**-**
Investment in unquoted equity shares	March 31, 2019	**18.01**	**-**	**-**	**18.01**
Derivative assets	March 31, 2019	**1,004.25**	**-**	**1,004.25**	**-**
Assets measured at amortised cost for which fair values are disclosed (refer note 37):					
Security deposits paid	March 31, 2019	**818.31**	**-**	**818.31**	**-**
Liabilities measured at amortised cost for which fair values are disclosed (refer note 37):					
Borrowings	March 31, 2019	**256,091.21**	**-**	**256,091.21**	**-**
Finance lease obligations	March 31, 2019	**98.26**	**-**	**98.26**	**-**

There have been no transfers between Level 1 and Level 2 during the period.

B. Quantitative disclosures of fair value measurement hierarchy for assets as at March 31, 2018:

Particulars	Date of valuation	Total	Fair value measurement		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at Fair value through profit and loss:					
Quoted investments	March 31, 2018	15,759.66	15,759.66	-	-
Investment in unquoted equity shares	March 31, 2018	18.01	-	-	18.01
Derivative assets	March 31, 2018	336.26	-	336.26	-
Assets measured at amortised cost for which fair values are disclosed (refer note 36):					
Security deposits paid	March 31, 2018	808.53	-	808.53	-
Liabilities measured at amortised cost for which fair values are disclosed (refer note 37):					
Borrowings	March 31, 2018	184,514.05	-	184,514.05	-
Finance lease obligations	March 31, 2018	98.26	-	98.26	-

There have been no transfers between Level I and Level 2 during the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2019 and March 31, 2018:

Description	Valuation technique	Significant unobservable inputs	Sensitivity of the input to fair value
FVTOCI assets in unquoted equity shares	DCF method	Long-term growth rate for cash flows for subsequent years (average 2.50%)	2% increase (decrease) in the growth rate would result in increase (decrease) in fair value by INR 0.89 lakh
		Long-term operating margin	2% increase (decrease) in the margin would result in increase (decrease) in fair value by INR 2.60 lakh
		WACC (Range 11.71% to 14.88%)	1% increase (decrease) in the WACC would result in increase (decrease) in fair value by INR 7.0 lakh
		Discount for lack of marketability	2% increase (decrease) in the discount would result in increase (decrease) in fair value by INR 10.90 lakh.

39. Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables and finance lease obligation. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments (mutual funds, equity), trade and other receivables, security deposits, cash and short-term deposits that derive directly from its operations. The Group also enters into derivative transactions.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, investments, deposits, advances and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at March 31, 2019. The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with fixed interest rates.

The Group enters into interest rate swaps to manage its interest rate risk, in which it agrees to exchange, at specified intervals, the difference between floating and fixed rate interest amounts calculated by reference to an agreed-upon notional principal amount. At March 31, 2019 and March 31, 2018, Group has taken interest rate swap for all of its floating interest rate borrowings.

The exposure of the Group's borrowing at floating rate of interest at the end of reporting period:

Particulars	As at March 31, 2019	As at March 31, 2018
Rupee term loan borrowings	219,634.08	140,105.57
USD Commercial Borrowings	16,457.13	24,408.48

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/decrease in basis points	Effect on profit before tax
March 31, 2019		
INR Term loan	+200	868.26
INR Term loan	-200	(868.26)
USD Commercial Borrowings	+200	405.31
USD Commercial Borrowings	-200	(405.31)
March 31, 2018		
INR Term loan	+200	(219.70)
INR Term loan	-200	219.70
USD Commercial Borrowings	+200	(535.82)
USD Commercial Borrowings	-200	535.82

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the operating activities (when revenue or expense is denominated in a foreign currency) and borrowings in foreign currency (ECB borrowings).

Foreign currency risk mitigation:

The Group manages its foreign currency risk by entering into derivatives viz. interest rate swaps, cross currency interest rate swaps and foreign currency option contracts.

When a derivative is entered into for the purpose of hedging, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Group's exposure to foreign currency risk at the end of reporting period expressed in INR are as follows:

Particulars	As at March 31, 2019		As at March 31, 2018	
	USD	EUR	USD	EUR
Financial liabilities				
Trade payables	**78.03**	**4.84**	-	128.77
Capital Creditors	**0.89**	**14.69**	-	14.98
Buyer's credit	**22.48**	**-**	-	-
Exposure to foreign currency liabilities	**101.40**	**19.53**	**-**	**143.75**
Net exposure to foreign currency assets / (liabilities)	**(101.40)**	**(19.53)**	**-**	**(143.75)**
Net exposure to foreign currency assets / (liabilities) (in INR)	**(7,105.10)**	**(1,546.39)**	**216.38**	**(11,595.31)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

Particulars	Increase/ decrease in basis points	Effect on profit before tax	
		March 31, 2019	March 31, 2018
USD Sensitivity			
INR/ USD	+500	**(355.25)**	10.82
INR/ USD	-500	**355.25**	(10.82)
EURO Sensitivity			
INR/ EURO	+500	**(77.32)**	(579.77)
INR/ EURO	-500	**77.32**	579.77

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Outstanding trade receivables are reviewed and assessed for default on half year basis taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowance and impairment is recognised where considered appropriate by the responsible management.

Outstanding balances of trade receivable comprises primarily of Governments. The Group's historical experience of collective receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivable are considered to be a single class of financial assets.

The maximum exposure to credit risk at the reporting date is the carrying value of Trade receivables is as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables	**2,200.03**	1,782.45
Expected credit loss rate	**1.45%**	1.45%
Expected credit loss	**31.90**	25.85
Specific provision	**49.45**	79.71
Total provision	**81.35**	**105.56**

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Group's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the Balance Sheet at March 31, 2019 and March 31, 2018 is the carrying amounts as provided in Note 6, 7, 8, 12 (a) and 12 (b).

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, buyers credit and bank loans. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Particulars	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
	INR lakh	INR lakh	INR lakh	INR lakh	INR lakh
March 31, 2019					
Borrowings	40,316.92	688.55	23,001.19	219,271.87	283,278.53
Trade payables	-	41,892.13	-	-	41,892.13
Other financial liabilities	746.93	52,350.98	-	-	53,097.92
	41,063.85	**94,931.66**	**23,001.19**	**219,271.87**	**378,268.58**
March 31, 2018					
Borrowings	35,858.20	6,289.73	55,000.80	115,087.83	212,236.56
Trade payables	-	42,999.97	-	-	42,999.97
Other financial liabilities	540.06	55,851.65	-	-	56,391.71
	36,398.26	**105,141.35**	**55,000.80**	**115,087.83**	**311,628.24**

40. Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value. The Group's policy is to keep the gearing ratio to the maximum of 200%.

Net debt includes, interest bearing loans and borrowings less cash and cash equivalents.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The gearing ratio at the end of the reporting period are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Borrowings (refer to note 16)	**283,278.53**	212,236.56
Current maturities of long term loan, interest accrued on borrowings and book overdraft (refer note 21)	**15,959.69**	17,169.09
Less: Cash and cash equivalents [refer to note 12 (a)]	**(9,914.17)**	(2,965.50)
Net debts (A)	**289,324.05**	**226,440.15**
Equity (B)	**209,005.46**	**185,412.02**
Net Gearing (A/B)	**138.43%**	**122.13%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

41. Dues to Micro, Small and Medium Enterprises

The dues to Micro, Small and Medium Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Group is given below:

Particulars	As at March 31, 2019	As at March 31, 2018
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	**2,700.94**	542.79
- Interest due on above	**36.93**	15.43
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payments made to the supplier beyond the appointed day during each accounting year	**-**	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	**-**	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	**36.93**	47.90
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 MSMED Act 2006.	**36.93**	47.90

42. Statutory group information

Name of Equity in the group	Net Assets		Share in Profit & Loss		Share in other comprehensive		Share in total comprehensive	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Subsidiary								
RSPL Health Private Limited								
Balance as at March 31, 2019	1.95%	4,077.96	3.05%	799.52	1%	(0.54)	3%	798.98
Balance as at March 31, 2018	1.54%	2,858.98	2.23%	596.25	0%	0.22	2%	596.47
Step Subsidiary								
RSPL Health BD Limited								
Balance as at March 31, 2019	0.45%	934.99	0.71%	186.05	118%	(58.47)	0.49%	127.58
Balance as at March 31, 2018	0.21%	386.01	-3.01%	(805.17)	-6%	26.30	-2.96%	(778.87)

43. In financial year 2016-17, the Company had issued Non-Convertible Redeemable Debentures of face value INR 10 Lakh each and aggregating upto INR 20,000 lakh to SBI Life Insurance Corporation Limited and the same are listed on National Stock Exchange (NSE). As per SEBI (Listing and Disclosure requirements) Regulations, 2015, every listed entity is required to submit un-audited financial results within forty five days from the end of the half year and audited financial results within sixty days from the end of the year to the registered stock exchange. However, the Company has failed to comply with these provisions and has filed for condonation of the same with NSE. Awaiting response from NSE, the management has created provision for penalties under the provision of the LODR, 2015. Based on discussion with authorities, the management is hopeful of getting the condonation of delay and is of the view that no action will be taken by the exchange against the Company and its officials.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR lakh, unless otherwise stated)

44. Capitalisation of expenses

During the year, the Company has capitalised following pre-operative expenses to capital work-in-progress being expenses related to the construction of greenfiled soda ash project in Gujarat. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the company (refer note-3(a)).

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Amount carried forward from previous financial year	**25,631.55**	10,048.37
Employee benefits expenses	**2,006.07**	1,505.26
Power & fuel	**4,580.34**	368.50
Legal and professional	**266.41**	1,248.58
Maintenance expenses	**177.79**	1,330.28
Rent	**431.90**	465.18
Travelling and conveyance	**162.47**	245.03
Insurance	**389.18**	151.80
Miscellaneous expenses	**669.50**	2,319.17
Finance costs	**17,070.22**	8,103.86
Goods transferred	**(4,229.81)**	-
Cost of Material Consumed	**2,665.05**	-
Miscellaneous income	**(210.46)**	(154.48)
Amount capitalised in Property, plant and equipment	**(37,318.65)**	-
Total	**12,291.56**	**25,631.55**

During the current year, significant part of the Soda ash project has been capitalised on the commencement of the commercial production and consequently pre-operative expenses as of the capitalisation date amounting to INR: 37,618.65 lakh has been capitalised with the value of property plant and equipment.

45. Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:”

(i) Ind AS 116 Lease accounting

Ind AS 116 Leases was notified by MCA on March 30, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17.

The Group intends to adopt these standards from April 01, 2019. As the Group does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its consolidated financial statements.

(ii) Appendix C to Ind AS 12- Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments.

(Amount in INR lakh, unless otherwise stated)

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed.

The interpretation is effective for annual reporting periods beginning on or after 1 April 2019, but certain transition reliefs are available. Since the Group does not operate in a multinational tax environment and the tax computations is not complex, applying the Interpretation will not have material affect on the consolidated financial statements.

(iii) Amendments to Ind AS 23: Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Group's current practice is in line with these amendments, the Group does not expect any effect on its consolidated financial statements.

(iv) Amendments to Ind AS 109: Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The amendments should be applied retrospectively and are effective for annual periods beginning on or after 1 April 2019. These amendments have no impact on the consolidated financial statements of the Group.

(v) Amendments to Ind AS 12: Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Group's current practice is in line with these amendments, the Group does not expect any effect on its consolidated financial statements.

46. Consequent to the introduction of Goods and Services Tax (GST) with effect from July 01, 2017, Indirect taxes like Excise Duty, Value Added Tax (VAT) etc., had been subsumed into GST. In accordance with Ind AS - 18/ Ind AS-115 on Revenue and Schedule III of the Companies Act, 2013, unlike Excise Duty, GST is not considered as part of Revenue and hence, revenue from operations upto June 30, 2017 is inclusive of excise duty. Accordingly, the figures for the year ended March 31, 2019 are not comparable to March 31, 2018.

47. Amount represented in INR 0.00 are below the rounding off norms adopted by the Group.

As per our report of even date

For **S.R. Batliboi & Co. LLP** *Chartered Accountants* Firm Registration No. 301003E/E300005	**For and on behalf of the Board of Directors of RSPL Limited**		
per **Pankaj Chadha** *Partner* Membership No.: 091813	**Murli Dhar** *Executive Chairman* DIN - 00049298	**Bimal Kumar** *Managing Director* DIN - 00049337	**Sushil Kumar Bajpai** *Company Secretary and Chief Financial Officer* Membership No.:- F3753
Place: Gurugram Date: September 28, 2019	Place: Gurugram Date: September 28, 2019		