RSPL
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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

INDEX

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

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NOTICE

NOTICE is hereby given that the Thirty Second Annual General Meeting of the Members of RSPL Limited, will be held on Wednesday, 30th day of December, 2020 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, 2020 together with the Reports of Directors and Auditors thereon; and

   b. the Audited Consolidated Financial Statement for the Financial year ended 31st March, 2020 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, 2020.

3. To appoint a Director in place of Shri Rahul Gyanchandani (DIN- 00049468) who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Shri Naresh Kumar Phoolwani (DIN- 07681794) who retires by rotation and being eligible, offers himself for re-appointment.

5. To consider appointment of M/s Walker Chandiok & Co LLP, Chartered Accountants, Gurugram (FRN: 001076N/N500013), as the Statutory Auditors of the Company to fill casual vacancy and to fix their remuneration:

   To consider and if thought fit, to pass with or without modification(s), the following resolution as **ORDINARY RESOLUTION:**

   "RESOLVED THAT pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the appointment of M/s. Walker Chandiok & Co LLP, Chartered Accountants, Gurugram (FRN: 001076N/N500013) as Statutory Auditors of the Company in the casual vacancy caused by the resignation of M/s. S.R. Batliboi & Co, LLP,Chartered Accountants (FRN: 301003E/E300005) to hold office until the conclusion of the next Annual General Meeting on the terms and conditions as may be agreed between the Statutory Auditors and the Board of Directors of the Company.

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Walker Chandiok & Co LLP, Chartered Accountants, Gurugram (FRN: 001076N/N500013) be and are hereby appointed as Statutory Auditors of the Company to hold office for a period of 1 (One) year from the conclusion of this Annual General Meeting until the conclusion of the Thirty Third Annual General Meeting to be held in the year, 2021 on such remuneration as may be fixed by the Board of Directors of the Company**."**

SPECIAL BUSINESSES:

6. To appoint Shri Sunil Srivastav (DIN: 00237561) as an Independent Director 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 the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Shri Sunil Srivastav (DIN: 00237561) who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and who is eligible for appointment, and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act signifying his intention to propose Shri Sunil Srivastav candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of three consecutive years commencing from 15th December, 2020 upto 14th December, 2023.

   RESOLVED FURTHER THAT the Board of Directors of the Company and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

7. To re-appoint Mrs. Renuka Gulati as Independent Director of the Company for a period of 5 years and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, other applicable provisions, if any, of the Companies Act, 2013("the Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors at their meeting held on 15th December, 2020, Mrs. Renuka Gulati (DIN: 07395200), in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director under Section 160 of the Act, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of five consecutive years commencing from 31st December 2020 upto 30th December, 2025, and whose office shall not be liable to retire by rotation.**"**

8. To ratify the remuneration of the Cost Auditors for the Financial year ending 31st March, 2021 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, 2021 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 2020-21.**"**

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

Place: Gurugram
Date: 15th December, 2020

(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. In view of the extra-ordinary circumstances caused by pandemic Corona Virus, the Registrar of Companies, UP vide its letter no. ROC/KAN/AGM EXTN./2020/1105 dated 8th September 2020, has granted extension to all the companies having registered office in UP to hold AGM, by a period of three months from the due date by which the AGM ought to have been held in accordance with the provisions of Section 96(1) of the Companies Act, 2013. Accordingly, the Company has decided to avail the extension and hold AGM on 30th December 2020.

5. The details of Directors seeking appointment under Item Nos. 3, 4, 6 and 7 of the accompanying notice are given in the Statement as hereunder:

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BRIEF PROFILE OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT

Particulars	**Rahul Gyanchandani**	**Naresh Kumar Phoolwani**	**Sunil Srivastav**	**Renuka Gulati**
DIN	00049468	07681794	00237561	07395200
Date of Birth	02-09-1979	17-06-1973	21-03-1958	06-06-1942
Qualifications	Graduate	B.Com	Post Graduate	Post Graduate
Experience	17 Years	20 Years	38 years	40 years
Date of Appointment on the Board	01/05/2004	01/01/2017	15/12/2020	14/12/2015
Expertise in specific functional area	Expertise in procurement and production of detergent and toilet soaps. Deals in, Soda Ash project and Finance functions	Expertise in dealing with factory related matters.	He has vast experience in Banking and Finance matters.	Experience in education field and administration of educational institutes.
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. Contluxi International Private Limited	1. Eros International Media Limited. 2. Eros International Films Private Limited. 3. Solar Industries India Limited. 4. Security and Intelligence Services 9India) Limited. 5. Star Paper Mills Limited. 6. Paisalo Digital Limited.	NIL
Chairman / Member of Committee of the Board of other Companies of which he is a Director	NIL	NIL		NIL
Shareholding of Director in the Company	66,05,000 shares of Rs 10/- each (15%)	NIL	NIL	NIL
Relationship with other Director(s).	Murli Dhar Gyanchandani **(Father)** Manoj Kumar Gyanchandani **(Brother)**	N.A.	N.A.	N.A.
No. of Meetings of the Board attended during the year	07	07	N.A.	05

ANNEXURE TO NOTICE

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 6:

The Board of Directors at its meeting held on 15th December 2020, has appointed Mr. Sunil Srivastav(DIN: 00237561) as an Independent Director of the Company, subject to approval of the Shareholder, for a consecutive term of 3 years with effect from 15th December 2020.

The Company received a notice from a Member under Section 160 of the Companies Act, 2013, signifying his intention to propose the candidature of Shri Sunil Srivastav (DIN: 00237561) for the office of Independent Director of the Company. Shri Sunil Srivastav, aged 62 years, is retired Dy. Managing Director of State Bank of India. He has vast experience in Banking and Finance matters. The other details of Shri Sunil Srivastav in terms of Secretarial Standard 2 (SS-2) is annexed to this Notice.

Shri Sunil Srivastav is not related to any Director of the Company. In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that Shri Sunil Srivastav fulfils the conditions specified in the Act for his appointment as an Independent Director. After taking into consideration the recommendation of the Nomination & Remuneration Committee, the Board is of the opinion that Shri Sunil Srivastav has vast knowledge and varied experience, which will be of great value to the Company and has recommended the Resolution at Item No. 6 of this Notice relating to the appointment of Shri Sunil Srivastav as an “Independent Director”, not liable to retire by rotation for a period of three consecutive years w.e.f. 15th December, 2020 upto 14th December, 2023, for the approval of shareholders. Shri Sunil Srivastav has given a declaration to the Board that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. The Company has also received:- (i) the consent in writing to act as Director and (ii) intimation that he is not disqualified under section 164(2) of the Companies Act, 2013. A copy of the draft letter for the appointment of Shri Sunil Srivastav as Independent Director setting out the terms & conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

Except, Shri Sunil Srivastav, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the Resolution at Item No. 6 of the Notice.

Item No. 7:

The Members of the Company on 31st December, 2015 approved the appointment of Mrs. Renuka Gulati (DIN: 07395200) as Independent Directors of the Company for a period of five years with effect from 31st December, 2015. Mrs. Renuka Gulati (DIN: 07395200) will complete her term on 30th December, 2020. The Board of Directors of the Company (‘the Board’) at their meeting held on 15th December, 2020, on the recommendation of the Nomination & Remuneration Committee (‘the Committee’), recommended for the approval of the Members for the re-appointment of Mrs. Renuka Gulati (DIN: 07395200) as Independent Director of the Company with effect from 31st December, 2020, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 (‘the Act’), as set out in the Resolution relating to re-appointment.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Director, has recommended re-appointment of Mrs. Renuka Gulati (DIN: 07395200) as Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company. The Board, based on the performance evaluation of Independent Director and as per the recommendations of the Nomination and Remuneration Committee, are of the view that, given the knowledge, experience and performance of Mrs. Renuka Gulati (DIN: 07395200), and contribution to Board processes by her, her continued association would benefit the Company. Declaration has been received from Mrs. Renuka Gulati (DIN: 07395200) that she meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, Mrs. Renuka Gulati fulfils the conditions specified in the Act and the Rules thereunder for re-appointment as Independent Director and is independent of the management of the Company. Consent of the Members by way of Special Resolution is required for re-appointment of Mrs. Renuka Gulati, in terms of Section 149 of the Act. Requisite Notices under Section 160 of the Act proposing the re-appointment of Mrs. Renuka Gulati have been received by the Company, and consents have been received from Mrs. Renuka Gulati pursuant to Section 152 of the Act.

Mrs. Renuka Gulati does not hold any share in the Company, either in their individual capacity or on a beneficial basis for any other person.

Mrs. Renuka Gulati and her relatives are interested in this Special Resolutions relating to re-appointment. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Special Resolution. The Board recommends the Special Resolution for your approval.

Item No. 8:

The Board of Directors of the Company at its Meeting held on 24th July 2020, 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, 2021 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, 2021 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. 8 of the Notice.

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

Place: Gurugram
Date: 15th December, 2020

(S. K. BAJPAI)
Company Secretary

ROUTE MAP


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

DIRECTORS' REPORT

To

The Members of

RSPL LIMITED

Your Directors have pleasure in presenting herewith the Thirty Second Annual Report along with Audited Financial Statement of the Company for the year ended 31st March, 2020.

1. **Financial Results:**

The summarized financial position of the Company for the financial year ended 31st March, 2020, as compared to previous year is as under:

(Rs. In Crores)

Particulars	**For the year ended 31st March 2020**	For the year ended 31st March 2019	**For the year ended 31st March 2020**	For the year ended 31st March 2019
	STANDALONE		**CONSOLIDATED**	
Revenue from Operations (Net)	4332.53	4519.54	4560.55	4680.91
Other Income	44.54	44.28	45.01	43.90
Total Revenue	**4377.07**	**4563.82**	**4605.56**	**4724.81**
Profit Before Depreciation, Interest, Tax (PBDIT)	631.69	550.34	660.38	566.58
Less: Depreciation & Amortization Expenses	228.66	97.68	230.27	98.86
Less: Financial Cost	257.51	78.21	258.50	79.89
Profit before Tax (PBT)	**145.52**	**374.45**	**171.61**	**387.83**
Less Tax Expenses:				
Current Tax	25.44	83.57	32.67	87.85
Tax related to earlier periods			1.74	(0.08)
Deferred Tax	-102.97	38.61	-103.09	38.09
Profit for the year	**223.05**	**252.26**	**240.29**	**261.98**

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

During the Financial Year 2019-20, the Company has recorded revenue from operations (net) of Rs. 4332.53 Crores as against revenue from operations (net) of Rs. 4519.54 Crores during the preceding Financial Year 2018-19. The earnings before depreciation, interest and tax has registered a growth of 14.78% as compared to previous financial year. The Company achieved Net Profit after tax of Rs. 223.05 Crores in the financial year under review as against Net Profit of Rs. 252.26 Crores in the preceding year due to higher depreciation and interest cost due to huge capex in Soda Ash plant. The Board expects improvement in the financial performance in coming years.

3. **Commercial Operation Date of Soda Ash plant:**

Your directors are pleased to announce that during the year under review, the commercial operation at Greenfield Soda Ash Plant at Kuranga, Distt. Devbhoomi Dwarka, Gujarat has commenced. The Commercial Operation Date was 16th September 2019. The plant capacity is 500000 TPA Light Soda Ash and 50MW cogeneration steam and power plant. The estimated project cost was Rs. 3497.21 crore, which stands increased to Rs. 4217.31 crores, due to some additional works undertaken, considering the future expansion plans of the project.

4. Impact of COVID-19:

"As COVID-19 has been declared a global pandemic by the World Health Organization with adverse impact on economy and business especially after nationwide lockdown from the 25th of March 2020. RSPL manufactures and supplies essential day-to-day products such as laundry detergents, soaps, dish wash bar, sanitary napkins and other products used for manufacturing of the above. The company products being an essential commodity, all the more required in maintaining hygiene and cleanliness which is utmost needed during the pandemic, RSPL was allowed to operate, nationwide, by the respective administrative authorities in last week of March 2020 itself. Also, as per a prudent estimate, such approvals will be available in the foreseeable future.

Further, the Company has assessed the possible effects that may result from COVID-19 on the carrying amounts of financials assets, inventory, advances, property plant and equipment etc. as well as liabilities accrued. Based on such assessment, the management expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. Further, as on the signing of these financial statement, basis the above facts, the management is confident that there will not be any negative impact of Covid-19 in its business and operations. The impact of COVID-19 may impact the underlying assumptions and estimates used to prepare the Company's financial statements, which may differ from that considered as at the date of approval of these financial statements.

5. Impact of amendment in Income Tax Act, 1961:

As per tax ordinance dated September 20, 2019, a new tax provision has been introduced whereby a company can claim the benefits of reduced tax rates, provided it forgoes available incentives/exemptions under Income Tax Act, 1961. As per Company's projections and current incentives/exemptions, the Company has decided not to opt for the same considering the value of incentives/exemptions under Income tax Act is greater than the benefit by opting the reduced tax rates as at March 31, 2020, Consequentially, necessary adjustments has been done in recording of deferred tax liabilities (amounting to INR 132.12 Cr). The Company will reassess the option to adopt the new tax provision every year, and adjustments, if any, will be considered in due course.

6. Dividend:

The Board of Directors of the Company have declared 1 (One) Interim Dividends of Rs. 7.50 per share each at its Meetings held on 12th March, 2020 on 4,40,32,500 Equity Shares of the face value of Rs. 10/- each absorbing a total sum of Rs. 33,02,43,750. It is proposed to confirm the payment of Interim Dividend as final dividend at the ensuing Annual General Meeting of the Company.

7. Transfer of Reserve

Your directors do not propose to transfer any amount to General Reserve for the year ended 31st March 2020.

8. Investor Education and Protection Fund:

There were no amounts which were required to be transferred to Investor Education and Protection Fund in the Current Financial Year 2019-2020.

9. 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-/Negative by ICRA vide letter dated 3rd February 2020 and was re-affirmed the financial credit rating of AA-/Stable vide letter dated 5th November 2019 by CRISIL on its NCDs.

10. 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. 240.29 crores during the year under review as compared to Net Profit of Rs. 261.98 crores in the previous financial year.

11. *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. 1587.61 Lacs in the current year as compared to turnover of Rs. 1306.52 Lacs in the previous year. Profit for the year also increased to Rs. 1064.27 Lacs as compared to Rs. 799.52 Lacs in the previous year. The contribution in Turnover and Profit as per the Consolidated Financial Statements of the Company was 0.35% and 4.43% 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 37.01% in Turnover. The Company has recorded profit of Rs. 678.39 Lacs during the current year as against profit of Rs. 186.05 Lacs in the previous year. The contribution in turnover and Profit as per the Consolidated Financial Statements of the Company is 4.97% and 2.82% 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'**.

12. Statutory Auditors:

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. M/s. S.R. Batliboi & Co. LLP., Chartered Accountants, resigned from the office of Statutory Auditors. The board of directors, at its meeting held on 7th October 2020, appointed M/s. Walker Chandiok & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) as Statutory Auditors of the Company subject to consent of the shareholders, to fill casual vacancy caused by resignation of M/s. S.R. Batliboi & Co. LLP, Chartered Accountants.

13. 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 2019-20. The Secretarial Audit Report for the financial year ended 31st March, 2020 is enclosed as 'Annexure – II' and forms an integral part of this Report.

14. 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, 2021.

15. 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 that The Company did not have an appropriate internal control system in place with respect to carrying out background check during selection of vendors which may potentially result in material misstatement of purchase of goods and services with such vendors. 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) The Secretarial Auditor has reported that there has been delay in filing of certain Forms and Returns under the provisions of the Companies Act, 2013 and rules made thereunder and that the Company is yet to file Form No. MGT 14 as required under Section 117 of the Companies Act, 2013 in respect of the Board resolution passed under Section 182 read with Section 179 (3) (k) of the Companies Act, 2013 and Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 for making political contribution. The Company will be more careful in future to timely file the forms and returns as prescribed under the Companies Act, 2013.

(b) 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). The Company will be more careful in future **for** timely compliance **of** the provision of Chapter V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

16. 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 24th May, 2019, 3rd August, 2019, 9th September 2019, 28th September, 2019, 14th November 2019, 16th January 2020 and 12th March, 2020 during the financial year. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Sl. No.	Name of Director	Total No. Board Meetings entitled to attend	Total No. of Board Meetings Attended
1	Shri Murlidhar Gyanchandani	7	7
2	Shri Bimal Kumar	7	7
3	Shri Rahul Gyanchandani	7	7
4	Shri Manoj Kumar Gyanchandani	7	7
5	Shri Rohit Gyanchandani	7	7
6	Shri Naresh Kumar Phoolwani	7	7
7	Dr. JN Gupta	7	3
8	Dr. RP Singh	7	3
9	Mrs. Renuka Gulati	7	5

17. Directors & Key Management Personnel (KMP):

In accordance with the provisions of the Companies Act, 2013 Shri Rahul Gyanchandani (DIN 00049468) and Naresh Kumar Phoolwani (DIN: 07681794) and , Director of the Company shall retire by rotation at the ensuing Annual General Meeting and being eligible has offered themselves for re-appointment. The Board of Directors at its meeting held on 15th December 2020, has appointed, Mr. Sunil Srivastav (DIN 00237561) as in Independent Director of the Company w.e.f. 15th December 2020, subject to approval of shareholders at the ensuing Annual General Meeting for a term of 3 years. Mrs. Renuka Gulati (DIN 07395200) is going to complete her 1st tenure of 5 years as an Independent Director of the Company. The Board proposes the re-appointment of Mrs. Renuka Gulati for a second term of consecutive five years at the ensuing Annual General Meeting of the Company. There is no other change in the Directors and KMP of the Company.

18. 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.

19. 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.

20. 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

21. 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.

22. 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.

23. 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.

24. 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.

25. 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.

26. 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.

27. 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.

28. 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.

29. 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.

30. 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. 137.91 lac.

(C) Foreign exchange Earnings and Outgo-

(Amount in Rs. Lacs)

Particulars	**2019-20**	**2018-2019**
Earning in Foreign Currency:		
Export at FOB	56.18	491.80
Foreign Exchange Outgo:		
i. Value of Imports on CIF basis	55,003.91	59,329.55
ii. Expenditure in Foreign Currency	798.07	962.52

31. 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 judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company 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.

32. Deposits:

The Company has not accepted any deposits under Section 73 to 76 of the Companies Act 2013 during the year under review. The Company has availed unsecured loans from some of its directors, which are exempted deposits under the Companies (Acceptance of Deposit) Rules, 2014.

33. 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

34. 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. There is no change in nature of business being carried on by the Company

g. 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.

35. 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: 15/12/2020

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, 2019	1st April, 2019
5.	End Date of Reporting Period	31st March, 2020	31st March, 2020
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. = Rs. 0.8867
7.	Share Capital	3915.52	4136.26
8.	Reserves & Surplus	1225.44	-2611.82
9.	Total Assets	5620.74	8363.28
10.	Total Liabilities	479.78	6838.84
11.	Investments	4136.25	NIL
12.	Turnover	1587.61	22705.13
13.	Profit before taxation	1425.27	1201.82
14.	Provision for taxation Current Tax Deferred Tax	 369.55 -9.83	 525.19 -1.76
15.	Profit after taxation	1064.27	678.39
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: 15/12/2020

ANNEXURE II

SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2020

[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') for the Financial year ended 31st March, 2020. The 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 electronically (since the inspection of physical records was not possible due to ongoing COVID-19 pandemic) during the conduct of our audit and the information available in public domain through the disclosures made by the Company from time to time with the regulators, We hereby report that in our opinion, the Company has during the financial year ended on 31st March, 2020 ('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, 2020, according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder 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, 2018 **(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;

  (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)**;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company)**; and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent of their applicability to Chapter V (Regulations 49 to 62) relating to its listed privately placed 9.20%, 2,000 Secured Redeemable Non-Convertible Debentures of Rs. 10,00,000/- each aggregating to Rs. 200 Crores.

We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents 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 with regard to Meetings of Board of Directors (SS-1) and the General Meetings (SS-2) 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) read with 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.

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 observations:

(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) *The Company is yet to file Form No. MGT 14 as required under Section 117 of the Companies Act, 2013 in respect of the Board resolution passed under Section 182 read with Section 179 (3) (k) of the Companies Act, 2013 and Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 for making political contribution amounting to Rs. 17,25,000/- (Rupees Seventeen Lakhs and Twenty Five Thousand only).*

(iii) *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).*

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 including appointment of a Woman Director. 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 Committees 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 the 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 Company has raised External Commercial Borrowings aggregating to EURO 1,00,00,000.00 from Standard Chartered Bank on 15th July, 2019.

(b) The Company commenced commercial operations at Greenfield Soda Ash Plant situated at Kuranga Village, Devbhumi Dwarka, Gujarat (Stream I and Stream 2) on 16th September, 2019

(c) Due to outbreak of COVID-19, the operations of the company were impacted in the month of March, 2020 following nationwide lockdown announced by the Government of India.

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

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

Place: Kanpur
Date: 12.11.2020

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 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, 2020 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 operating 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

Place: Kanpur
Date: 12.11.2020

F.C.S -2589
C P-1920
UDIN: F002589B001221598

Annexure III

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH, 2020

[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
ii.	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	27.38%
2.	Detergent Powder	20233	62.10%

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. C-1,2 &3, 3rd Floor, 301 to 311, PP Tower A, Netaji Subhasha Place, Pitampura, Delhi-110034	U15111UP1988PLC009771	Wholly owned Subsidiary	100%	2(87)(ii)
2	RSPL Health BD Ltd, Bangladesh	--	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%	44032500	NIL	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%**	**44032500**	**NIL**	**44032500**	**100%**	**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	
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
j)	Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
k)	Any Other….	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (A)(2):-		**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
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. (i) Indian (ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b)	Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
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 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%**	**44032500**	**NIL**	**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	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.	For Each of the Top 10 Shareholders	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	**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.	For Each of the Directors and KMP	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
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**
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.	For Each of the Directors and KMP	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
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. 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*	*Rs0.00*	*NIL*	*Rs.2,037.20*
Total (i+ii+iii)	***Rs. 274,710.63***	***Rs. 23,565.43***	***NIL***	***Rs.298,276.06***
Change in Indebtedness during the financial year				
- Addition	*Rs.72,404.59*	*Rs. 27,065.92*	*NIL*	*Rs.99,470.51*
- Reduction	*Rs34,805.39*	*Rs. 41,284.54*	*NIL*	*Rs. 76,089.93*
Net Change	*Rs.37,599.20*	*Rs. -14,218.62*	*NIL*	*Rs. 23,380.58*
Indebtedness at the end of the financial year				
i) Principal Amount	*Rs. 310,272.63*	*Rs. 9,346.81*	*NIL*	*Rs. 319,619.44*
ii) Interest due but not paid	*NIL*	*NIL*	*NIL*	*Nil*
iii) Interest accrued but not due	*Rs. 2,711.78*	*Rs. 0.00*	*NIL*	*Rs. 2,711.78*
Total (i+ii+iii)	***Rs. 312,984.41***	***Rs. 9,346.81***	***NIL***	***Rs. 322,331.22***

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	**1080**	**1080**	**900**	**900**	**900**	**6.25**	**4866.24**
	(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	**206.81** **NIL**	**206.81** **NIL**	**206.81** **NIL**	**206.81** **NIL**	**206.81** **NIL**	**NIL** **NIL**	**1034.05** **NIL**
5.	Others, please specify	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
Total (A)		**1286.81**	**1286.81**	**1106.81**	**1106.81**	**1106.81**	**6.25**	**5900.29**
Ceiling as per the Act		Rs.2148.68 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 ·Commission ·Others, please specify	 2.40 NIL NIL	 2.40 NIL NIL	 3.00 NIL NIL	 7.80 NIL NIL
	Total(1)	NIL	NIL	NIL	NIL
2.	Other Non-Executive Directors ·Fee for attending board committee meetings ·Commission ·Others, please specify	NA	NA	NA	NA
	Total(2)	**NIL**	**NIL**	**NIL**	**NIL**
	Total(B)=(1+2)	**2.40**	**2.40**	**3.00**	**7.80**
	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	56.02	56.02
(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 -others, specify…	0	0	0
	Others, please specify	0	0	0
	Total	**0**	**56.02**	**56.02**

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	441 of the Companies Act, 2013	Delay in filing of Cost Audit Report for FY 2015-16, 2016-17 & 2017-18	Rs. 1,00,000/- per financial year	NCLT, Allahabad Bench	NA
B.	**Directors**					
	Penalty	NA	NA	NA	NA	NA
	Punishment	NA	NA	NA	NA	NA
	Compounding	441 of the Companies Act, 2013	Delay in filing of Cost Audit Report for FY 2015-16, 2016-17 & 2017-18	Rs. 20,000/- per financial year for each MD and WTD	NCLT, Allahabad Bench	NA
C.	**Other Officers In Default (Company Secretary)**					
	Penalty	NA	NA	NA	NA	NA
	Punishment	NA	NA	NA	NA	NA
	Compounding	441 of the Companies Act, 2013	Delay in filing of Cost Audit Report for FY 2015-16, 2016-17 & 2017-18	Rs. 20,000/- per financial year	NCLT, Allahabad Bench	NA

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

(MURLIDHAR GYANCHANDANI)
Executive Chairman
DIN – 00049298

Date: 15/12/2020
Place: Gurugram

EVOLUTION IS CONSTANT

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.40,229.89 Lacs

4. Prescribed CSR Expenditure: Rs. 804.60 lacs

5. Details of CSR spent during the financial year:

a. Total amount to be spent for the financial year on CSR Activities: 804.60 Rs. lacs

b. Amount unspent, if any:

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 (Rs. In lac)	Cummulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency
1	Promoting health care including preventive health care	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	132.30	NA	Through implementing agency
2	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	5.06	NA	Through implementing agency
3	Promoting education for differently abled		Various parts in India	NA	1.20	NA	Through implementing agency

Sr. No.	Projects / Activities	Sector	Locations	Amount Outlay (Budget) Project or programs	Amount spent on the Project or programs (Rs. In lac)	Cummulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency
4	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	9.57	NA	Through implementing agency
5	Measures for reducing inequalities faced by socially and economically backward groups		Various parts in India	NA	1.10	NA	Through implementing agency
6	Welfare of society		Various parts in India	NA	4.29	NA	Through implementing agency
7	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	840.00	NA	Through implementing agency
8	Promoting sports	Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	Various parts in India	NA	5.00	NA	Through implementing agency
				TOTAL	**998.51**		

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
Executive Chairman & Chairman of the Committee
DIN – 00049298

Date: 15/12/2020
Place: Gurugram

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.

   b) Company means RSPL Ltd.

   c) Board means Board of Directors of RSPL Ltd.

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

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

   g) 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

   h) 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.

   i) 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 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 paid as advances, if any
NIF Pvt. Ltd. **(Common Directorship)**	Re-imbursement of SAP maintenance expenses	On going	Re-imbursement of SAP expenses in the ratio number of users	NA	
Leayan Global Pvt. Ltd. **(Common Directorship)**	Re-imbursement of SAP maintenance expenses	On going	Re-imbursement of SAP expenses in the ratio of number of users	NA	
NIF Pvt. Ltd. **(Common Directorship)**	Re-imbursement of common cost allocation	On going	Re-imbursement of salary of employees providing common services	NA	
Leayan Global Pvt. Ltd. **(Common Directorship)**	Re-imbursement of common cost allocation	On going	Re-imbursement of salary of employees providing common services	NA	
Rudraansh Holding LLP	Work force charges	FY 2019-20	Omnibus approval Rs. 1800 lacs	24/05/2019	
Rudraansh Consignors Pvt. Ltd.	CFA commission	FY 2019-20	Omnibus approval Rs. 25 lacs	24/05/2019	
Reva Consultants LLP	CFA Commission and business support	FY 2019-20	Omnibus approval Rs. 75 lacs	24/05/2019	
Rene Solutions	Commission C&F and Sales Promotion Exps.	FY 2019-20	Omnibus approval Rs. 350 lacs	24/05/2019	
Contluxi International Pvt. Ltd.	Sale of Trademarks	NA	Sale of trademarks for Rs. 10 lac	24/05/2019	
Contluxi International Pvt. Ltd.	Sale of Fixed Assets and consumables	NA	Sale of Fixed Assets and consumables Rs. 203.94 lac	24/05/2019	
RSPL Health Pvt. Ltd	Rent received	01/05/2017 to 30/04/2020	Lease of Immovable Property	17/04/2017	
Serene Finmart Pvt Limited	Rent paid	01/08/2018 to 31/07/2023	Lease of Immovable Property-	29/05/2018	

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 paid as advances, if any
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	
NIF Pvt. Ltd. **(Common Directorship)**	Freight Charges received	FY 2019-20	Omnibus approval for Providing Services Rs. 40 lac	24/05/2019	
NIF Pvt. Ltd. **(Common Directorship)**	Purchase of Milk, dairy products and other materials (including Fixed Assets)	FY 2019-20	Omnibus approval Rs. 50 lac	24/05/2019	
NIF Pvt. Ltd. **(Common Directorship)**	Sale of goods and other materials (including Fixed Assets)	FY 2019-20	Omnibus Approval Rs. 100 lac	24/05/2019	
Leayan Global Pvt. Ltd. **(Common Directorship)**	Sale of goods and other materials (including Fixed Assets)	FY 2019-20	Omnibus Approval Rs. 25 lac	24/05/2019	
Leayan Global Pvt. Ltd. **(Common Directorship)**	Purchase of goods, Shoes, garments and other materials (including Fixed Assets)	FY 2019-20	Omnibus approval Rs. 20 lac	24/05/2019	
Mrs. Seema Gyanchandani **(Relative of Director)**	Rent Paid	01/10/2018 to 30/09/2023	Lease of immoveable property	25/09/2018	
RSPL Health Pvt. Ltd. (Wholly owned Subsidiary **)**	Rent Received	31/04/2014 till date	Rent received	04.04.2014	--
Leayan Global Private Limited **(Common Directorship)**		01/01/2017 to 31/12/2019, 30/08/2012 to 31/03/2032	Rent received	26/12/2016 Ongoing	--
NIF Pvt. Ltd. **(Common Directorship)**		31/12/2016 to 31/12/2019, 18/03/2010 to 31/03/2030	Rent received	Ongoing Ongoing	--
Laxmi Devi Dayal Das Charitable Trust **(Common Directorship)**		01.10.2012-30.09.2022	Rent received	25.10.2012	--
Mr. Murli Dhar **(Key Managerial Personnel)**	Rent Paid	26/10/2013 till date, 1/04/2008 till date	Lease of Immovable Property – Rent paid	Ongoing Agreement	--
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	--
Mr. Manoj Kumar **(Key Managerial Personnel)**		4/09/2015 to 30/09/2020,	Lease of Immovable Property – Rent paid	4/09/2015	--
Mr. Rohit Gyanchandani **(key Managerial Personnel)**		01/04/2008 till date	Lease of Immovable Property – Rent paid	18/04/2016	--
Mr. Rahul Gyanchandani **(Key Managerial Personnel)**		01-04-19 to 31-03-20	Lease of Immovable Property- rent paid		--

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(MURLI DHAR GYANCHANDANI)
EXECUTIVE CHAIRMAN
DIN – 00049298

Place: Gurugram
Date: 15/12/2020

'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 (Rs. in lac)	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	1286.81	Contractual	Graduate	31 Years	27/09/1995	72 yrs.	-	26.37
2.	Shri Bimal Kumar Gyanchandani	Managing Director	1286.81	Contractual	Graduate	31 Years	11/10/1995	58 yrs.	-	25.00
3.	Shri Rahul Gyanchandani	Joint Managing Director	1106.81	Contractual	Graduate	15 Years	01/05/2004	39 yrs.	-	15.00
4.	Shri Manoj Kumar Gyanchandani	Whole Time Director	1106.81	Contractual	Graduate	22 Years	11/03/2008	46 yrs.	-	15.00
5.	Shri Rohit Gyanchandani	Whole Time Director	1106.81	Contractual	M.B.A.	14 Years	04/02/2005	34 yrs.	-	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: Gurugram
Date: 15/12/2020

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 2020, 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 standalone Ind AS 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, 2020, 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 standalone Ind 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, 2020. These matters were addressed in the context of our audit of the standalone 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 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.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2"><u>Capitalization of Property, plant and equipment and consequential tax impact</u>
(as described in note 45 of the standalone Ind AS financial statements)</td></tr>
<tr><td>The Company has set up a greenfield soda ash manufacturing facility as detailed in note 45 of standalone Ind AS financial statements. During the year ended March 31, 2020, the Company has completed the capitalization of the entire plant (both Stream I and Stream II) amounting to INR 337,277 lakh under various heads of Property, plant and equipment out of which INR 255,429 lakh was capitalized in the previous year pertaining to Stream I.

Capitalization 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 capitalized 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 10,689 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.</td><td>Our audit procedures include the following:
• 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 capitalization 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 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 tax specialist to check the income tax computation 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.</td></tr>
</table>

<table>
<tr><th colspan="2"><u>Impairment assessment of Assets pertaining to the Soda Ash plant</u>
(as described in note 32 (a) of the standalone Ind AS financial statements)</th></tr>
<tr><td>The Company has in the current year completed the capitalization of its soda ash plant. The written down value of the assets as at March 31, 2020 is INR 367,868 lakhs.

During the current year, impairment indicators were identified by the management. As a result, an impairment assessment was required to be performed by the management under Ind AS 36 – Impairment of Assets by comparing the carrying value of the Property, Plant & Equipment to their recoverable amount to determine whether an impairment needs to be recognized.

For the purpose of the above impairment testing, value in use has been determined by forecasting and discounting future cash flows. Furthermore, the value in use is highly sensitive to changes in the inputs used e.g. the discounting rate, terminal value, etc. and involves significant judgement.

Accordingly, the impairment assessment of the assets was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.</td><td>Our audit procedures included the following:
• We have tested the design and implementation of controls in respect of the processes and procedures in the Company which govern the impairment estimation and valuation procedures by management.
• We assessed the appropriateness of the management's valuation methodology applied in determining the recoverable amounts;
• Together with our valuation specialists, we reviewed significant assumptions considered by the management eg: discount rate, terminal growth rates etc.
• We assessed the assumptions around the key drivers of the cash flow forecasts eg: revenue realization rates, annual price increases and EBITDA percentage basis the industry data
• We also assessed the recoverable value headroom by performing sensitivity testing of key assumptions used;
• We discussed changes in key drivers as compared to previous year / actual performance with management to evaluate the inputs and assumptions used in the valuation models;
• We tested the arithmetical accuracy of the models;
• We assessed the disclosures in the Ind AS financial statements in compliance with the relevant accounting standards requirements.</td></tr>
</table>

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the standalone Ind AS financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone Ind 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 standalone Ind AS financial 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 standalone Ind 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 standalone Ind 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 standalone Ind 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 standalone 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 standalone Ind 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 with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind 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 standalone Ind AS financial statements for the financial year ended March 31, 2020 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 standalone 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;

   (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company 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, 2020 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 standalone Ind AS financial statements – Refer Note 34B to the standalone Ind 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 standalone Ind 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:

Place of Signature: Gurugram
Date: June 24, 2020

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, 2020 and no material discrepancies were noticed in respect of such confirmations.

(iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 during the year.

(b) The Company has granted loan in earlier year that was 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 the full repayment of loan along with the interest during the year and there has been no default on the part of the party to whom the money has been lent.

(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	Cenvat Credit	15.16	October 2015 to June 2017	Assistant Commissioner, CGST, Div.-VI, Ghaziabad
Central Sales Tax Act,1956	Sales Tax	203.35	01-04-2000 to 31-03-2001	High Court, Allahabad
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	1.37	01-04-2011 to31-03-2014	Joint Commissioner of Excise & Service tax, Indore
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
Chhattisgarh VAT Act	VAT	22.40	2014-15	Assistant Commissioner
Commercial Tax Maharashtra	VAT	40.83	01-04-2013 To 31-04-2014	Commercial tax officer
Commercial Tax Maharashtra	CST	112.33	2013-14	Commercial tax officer
Sales Tax	VAT	149.48	2015-16	Joint Commissioner of Cuttack

(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 no fraud by the Company 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:

Place : Gurugram
Date : June 24, 2020

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, 2020, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, 2020:

The Company did not have an appropriate internal control system in place with respect to carrying out background check during selection of vendors which may potentially result in material misstatement of purchase of goods and services with such vendors.

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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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, 2020, 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, 2020 financial statements of RSPL Limited and this report does not affect our report dated June 24, 2020 which expressed an unqualified opinion on those standalone financial statements.

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

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN:

Place : Gurugram
Date : June 24, 2020

BALANCE SHEET AS AT MARCH 31, 2020

(Amount in INR lakh, unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
Assets			
Non-current assets			
Property, plant and equipment	3 (a)	**441,127.20**	374,369.35
Right to use assets	35	**5,494.48**	-
Capital work-in-progress	3 (b)	**26,204.30**	96,467.58
Investment property	4	**1,934.60**	1,256.00
Intangible assets	5	**2,276.07**	2,655.89
Investment in subsidiary	6	**3,915.52**	3,915.52
Financial assets			
Investments	6	**18.01**	18.01
Loans	7	**996.87**	974.23
Other financial assets	8	**484.40**	581.32
Other assets	9	**54,642.71**	56,498.96
Income tax assets (net)	14 (a)	**3,435.37**	2,215.17
		540,529.53	538,952.03
Current assets			
Inventories	10	**84,936.22**	61,744.80
Financial assets			
Investments	6	**5,532.59**	11,413.71
Loans	7	**300.31**	630.65
Other financial assets	8	**2,571.84**	2,520.38
Trade receivables	11	**3,735.33**	2,897.18
Cash and cash equivalents	12 (a)	**10,672.69**	9,306.47
Bank balances other than above	12 (b)	**13,637.12**	18.70
Other assets	9	**21,830.13**	19,100.42
Assets classified as held for sale	13	**-**	1,066.46
		143,216.23	108,698.77
Total assets		**683,745.76**	647,650.80
Equity and liabilities			
Equity			
Equity share capital	15	**4,403.25**	4,403.25
Other equity	16	**226,017.57**	207,688.54
Total equity		**230,420.82**	212,091.79
Non-current liabilities			
Financial liabilities			
Borrowings	17	**252,096.02**	242,279.26
Lease liabilities	35	**2,178.52**	-
Provisions	18	**3,171.04**	2,684.34
Deferred tax liabilities (net)	19	**1,325.24**	11,619.85
Other liabilities	22	**27,080.16**	27,819.27
		285,850.98	284,402.72
Current liabilities			
Financial liabilities			
Borrowings	17	**44,250.20**	40,147.64
Lease liabilities	35	**866.26**	-
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	20	**1,183.97**	2,700.94
Total outstanding dues of creditors other than micro enterprises and small enterprises	20	**41,200.95**	36,138.73
Other financial liabilities	21	**50,135.71**	53,064.85
Other liabilities	22	**29,443.36**	17,522.15
Current tax liabilities (net)	14 (b)	-	1,195.26
Provisions	18	**393.51**	386.72
		167,473.96	151,156.29
Total Liabilities		**453,324.94**	435,559.01
Total equity and liabilities		**683,745.76**	647,650.80
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: June 24, 2020

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: June 24, 2020

RSPL
EVOLUTION IS CONSTANT

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

(Amount in INR lakh, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Income			
Revenue from operations	23	**433,252.53**	451,953.94
Other income	24	**4,453.96**	4,427.89
Total income		**437,706.49**	456,381.83
Expenses			
Cost of materials consumed	25 (a)	**263,172.53**	303,303.35
Change in inventories of finished goods, work-in-progress, and others	25 (b)	**(10,892.83)**	(4,519.19)
Employee benefits expense	26	**35,739.48**	33,377.64
Finance costs	29	**25,751.15**	7,821.32
Depreciation and amortization expense	27	**22,866.26**	9,767.81
Other expenses	28	**86,517.46**	69,186.03
Total expenses		**423,154.05**	418,936.96
Profit before tax		**14,552.44**	37,444.87
Tax expense :			
Current tax	19	**2,544.34**	8,357.42
Deferred tax	19	**(10,297.26)**	3,861.26
Profit for the year		**22,305.36**	25,226.19
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
Re-measurement gains on defined benefit plans	30	**7.59**	145.77
Income tax effect	30	**(2.65)**	(50.94)
Other comprehensive income for the year		**4.94**	94.83
Total comprehensive income for the year		**22,310.30**	25,321.02
Earnings per equity share (face value INR 10 each):	31		
(1) Basic		**50.66**	57.29
(2) Diluted		**50.66**	57.29
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: June 24, 2020

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: June 24, 2020

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

(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, 2018	**44,032,500**	**4,403.2500**
Issue of share capital	-	-
At March 31, 2019	**44,032,500**	**4,403.2500**
Issue of share capital	-	-
At March 31, 2020	**44,032,500**	**4,403.2500**

b. Other equity

Particulars	Reserves and Surplus				Total
	Amalgamation reserve	General reserve	Debenture redemption reserve	Retained earnings	
At April 01, 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 losses 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**
Profit for the year	-	-	-	22,305.36	22,305.36
Other Comprehensive Income					
Re-measurement gains on defined benefit plans	-	-	-	7.59	7.59
Income tax effect on above	-	-	-	(2.65)	(2.65)
Dividend paid during the year	-	-	-	(3,302.44)	(3,302.44)
Dividend distribution tax	-	-	-	(678.83)	(678.83)
Transfer to debenture redemption reserve	-	-	499.73	(499.73)	-
At March 31, 2020	**33.86**	**28,728.09**	**1,730.70**	**195,524.92**	**226,017.57**
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: June 24, 2020

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: June 24, 2020

EVOLUTION IS CONSTANT

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in INR lakh, unless otherwise stated)

	Particulars	**For the year ended March 31, 2020**	For the year ended March 31, 2019
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	**14,552.44**	37,444.87
	Adjustment to reconcile profit before tax to net cash flows:		
	Depreciation and amortization expense	**22,866.26**	9,767.81
	Unrealised exchange difference loss/(gain)	**253.21**	(295.41)
	Provision for doubtful loans and advances / trade receivables	**14.96**	36.21
	Balances written off	**23.78**	5.51
	Property, plant and equipment written off	**-**	6.15
	Loss on sales of property, plant and equipment (net)	**63.51**	69.23
	(Profit) on sales of Assets held for sale	**(784.72)**	-
	Fair value loss/(gain) on investments	**28.56**	(623.47)
	(Profit) on sale of investments	**(56.54)**	(106.14)
	Fair value (gain) on derivative instruments	**(221.67)**	(668.00)
	Right to use assets/ Liability (net)	**(2,449.70)**	-
	Interest and financial charges	**25,751.15**	7,821.32
	Liabilities no longer required written back	**(510.11)**	(929.33)
	Interest income	**(498.18)**	(140.88)
	Operating profit before working capital changes	**59,032.95**	52,387.87
	Add: Working capital changes :		
	(Increase) in inventories	**(23,191.42)**	(4,532.19)
	(Increase)/decrease in trade receivables	**(834.56)**	288.06
	Decrease/(increase) in loans	**310.74**	(44.64)
	(Increase) in other financial assets	**(13,209.88)**	(1,293.65)
	Decrease in other assets	**466.37**	2,091.02
	Increase/(decrease) in trade payables	**3,800.26**	(1,640.04)
	Increase in provisions	**501.08**	670.42
	(Decrease) in other financial liabilities	**(1,379.57)**	(66.55)
	Increase/(decrease) in other liabilities	**11,182.10**	(10,036.84)
	Cash flow from operations	**36,678.07**	37,823.46
	Less: Direct taxes paid (net)	**(4,959.80)**	(7,112.12)
	NET CASH FROM OPERATING ACTIVITIES (A)	**31,718.27**	30,711.34

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in INR lakh, unless otherwise stated)

	Particulars	**For the year ended March 31, 2020**	For the year ended March 31, 2019
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment (including capital work in progress and capital advance)	**(32,525.56)**	(90,091.49)
	Subsidy Received	**152.11**	-
	Proceeds from sale of property, plant and equipment and Assets held for Sale	**2,434.47**	183.40
	Sale of investments (net)	5,909.10	4,655.56
	Fixed Deposits made/ Proceeds from fixed deposits (net)	**-**	(1.15)
	Interest received	**356.77**	39.20
	NET CASH (USED) IN INVESTING ACTIVITIES (B)	**(23,673.11)**	(85,214.48)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Interest paid	**(23,910.10)**	(6,929.65)
	Proceeds from long term borrowings	**41,546.59**	85,426.38
	Repayment of long term borrowings	**(23,309.33)**	(14,135.13)
	Payment of Lease liabilities	**(903.35)**	-
	Proceeds/ (repayment) of short term borrowings (net)	**3,878.52**	(541.24)
	Dividend paid (including Dividend Distribution Tax)	**(3,981.27)**	(2,654.18)
	NET CASH FROM FINANCING ACTIVITIES (C)	**(6,678.94)**	61,166.18
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**1,366.22**	6,663.04
	Cash and cash equivalents as at the beginning of the year (refer note 12)	**9,306.47**	2,643.43
	Cash and cash equivalents as at the end of the year (refer note 12)	**10,672.69**	9,306.47
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**1,366.22**	6,663.04
	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: June 24, 2020

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: June 24, 2020

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

(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 36**.

The financial statements were approved for issue in accordance with a resolution of the directors on June 24. 2020

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.

1.2 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, 2020

(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.

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

(Amount in INR lakh, unless otherwise stated)

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.

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.

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.

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.

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

(Amount in INR lakh, unless otherwise stated)

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.

Change in accounting policy- Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It 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. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgement in identifying uncertainties over income tax treatments.

Upon adoption of the Appendix C to Ind AS 12, the Company considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Company's tax filings in tax jurisdictions include deductions related to transfer pricing and the taxation authorities may challenge those tax treatments. The Company determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments will be accepted by the taxation authorities. The Appendix did not have an impact on the financial statements of the Company.

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 Company treats sale of the asset or disposal group to be highly probable when:

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

(Amount in INR lakh, unless otherwise stated)

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.

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 less accumulated 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

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

(Amount in INR lakh, unless otherwise stated)

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

Depreciation on additions/ deletions is 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.

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 - 5 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. <u>Accounting policy on Leases</u>

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (s) Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Change in accounting policy- Ind AS-116

The Ministry of Corporate Affairs has notified Indian Accounting Standard 116 (‘Ind AS 116’), Leases, with effect from April 1, 2019. The Standard primarily requires the Company, as a lessee, to recognize, at the commencement of the lease a Right-to-use (ROU) asset and a lease liability (representing present value of unpaid lease payments). The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets). Such ROU assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance costs. The Company has elected to apply this Standard using the modified retrospective method with Right-of use assets being recognised at an amount equal to lease liability, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2020 have not been retrospectively adjusted.

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

As a result, the Company has recognised ROU of INR 5,494.48 lakh with corresponding lease liability of INR 3,044.78 lakh. Also in relation to those lease under Ind AS 116, the Company has recognised depreciation amounting to INR 893.19 lakh and interest on lease amounting to INR 207.58 lakh instead of operating lease expense of INR 903.35 lakh.

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.

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

(Amount in INR lakh, unless otherwise stated)

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.
- 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.

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.

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

(Amount in INR lakh, unless otherwise stated)

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 Company recognizes 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

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

(Amount in INR lakh, unless otherwise stated)

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.

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.

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 to repay.

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.

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

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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 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.

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

(Amount in INR lakh, unless otherwise stated)

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.

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 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.

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, 2020

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, 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	-	-	-	-	2,746.78	0.93	-	542.32	121.74	0.00	-	-	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**
Additions	170.70	-	9.52	19,084.85	69,371.94	98.20	-	329.02	202.38	205.86	96.52	600.94	90,169.93
Disposals	-	-	133.73	-	686.15	0.59	-	1.96	31.30	9.04	50.27	188.03	1,101.07
Adjustments	461.88	(461.88)	-	-	(1,018.30)	1.94	-	696.17	324.05	-	(3.86)	-	0.00
Reclassified to Investment Property	5.75	-	-	-	-	-	-	-	-	-	-	-	5.75
Reclassified to right to use asset	-	1,380.33	-	-	-	-	-	-	-	-	-	-	1,380.33
Reclassified to Assets held for sale	-	-	-	-	449.32	-	-	-	-	-	-	-	449.32
At March 31, 2020	**29,058.23**	**-**	**203.90**	**73,488.64**	**351,656.08**	**400.68**	**20,763.47**	**3,875.17**	**1,708.76**	**1,285.97**	**1,256.99**	**5,617.36**	**489,315.25**
Depreciation													
At April 01, 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	-	-	-	-	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
Depreciation for the year	-	-	44.08	2,550.94	16,205.66	37.73	1,169.46	361.01	195.25	225.40	121.31	537.08	21,447.92
Disposals	-	-	22.26	-	437.02	0.14	-	1.92	10.56	6.98	10.57	165.48	654.93
Adjustments	-	-	-	-	(210.69)	0.40	-	137.84	72.17	-	0.28	-	0.00
Reclassified to right to use asset	-	66.22	-	-	-	-	-	-	-	-	-	-	66.22
Reclassified to Assets held for sale	-	-	-	-	251.16	-	-	-	-	-	-	-	251.16
At March 31, 2020	**-**	**-**	**63.38**	**8,997.10**	**26,342.28**	**99.75**	**5,403.93**	**1,308.19**	**899.13**	**853.75**	**447.23**	**3,773.31**	**48,188.05**
Net book value													
At March 31, 2020	**29,058.23**	**-**	**140.52**	**64,491.54**	**325,313.80**	**300.93**	**15,359.54**	**2,566.98**	**809.63**	**432.22**	**809.76**	**1,844.05**	**441,127.20**
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**

Note:

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

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

At March 31, 2020	26204.3
At March 31, 2019	96467.58

*Capital work in progress includes pre-operative expenses pending allocation amounting to INR: 2,818.18 lakh (March 31, 2019: INR: 12,291.56 lakh) (refer note-44).

EVOLUTION IS CONSTANT

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

(Amount in INR lakh, unless otherwise stated)

4. Investment Property

Particulars	Freehold Land	Building	Total
Gross Block (at deemed cost/cost)			
At April 01, 2018	34.67	1,489.75	1,524.42
Additions	-	-	-
Disposal / Adjustments	-	-	-
Reclassified to Property, plant and equipment	-	62.97	62.97
At March 31, 2019	**34.67**	**1,426.78**	**1,461.45**
Additions	-	725.63	725.63
Reclassified from Property, plant and equipment	5.75	-	5.75
At March 31, 2020	**40.42**	**2,152.41**	**2,192.83**
Depreciation			
At April 01, 2018	-	154.29	154.29
Depreciation for the year	-	51.16	51.16
Disposal / Adjustments	-	-	-
At March 31, 2019	**-**	**205.45**	**205.45**
Depreciation for the year	-	52.78	52.78
Disposal / Adjustments	-	-	-
At March 31, 2020	**-**	**258.23**	**258.23**
Net book value			
At March 31, 2020	**40.42**	**1,894.18**	**1,934.60**
At March 31, 2019	**34.67**	**1,221.33**	**1,256.00**

Information regarding income and expenditure of Investment property

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rental income derived from investment properties	**31.00**	27.00
Direct operating expenses (including repairs and maintenance) generating rental income	**-**	-
Direct operating expenses (including repairs and maintenance) that did not generate rental income	**-**	-
Profit arising from investment properties before depreciation	**31.00**	27.00
Less – Depreciation	**52.78**	51.16
Loss arising from investment properties after depreciation	**(21.78)**	(24.16)

As at March 31, 2020 and March 31, 2019, the fair values of the properties are INR 2,682.63 lakh and INR 1,739.60 lakh respectively. These valuations are based on valuations performed by independent valuer.

Reconciliation of fair value:

Particulars	Amount
At April 01, 2018	**1,716.76**
Adjustments	(51.16)
Fair value difference	74.00
At March 31, 2019	**1,739.60**
Purchases	731.38
Adjustments	(52.78)
Fair value difference	264.43
At March 31, 2020	**2,682.63**

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

(Amount in INR lakh, unless otherwise stated)

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

Particulars	Valuation technique
1. Land and building situated on Arazi No.2298, 2299, 2300, 2302, 2303, 2305 (M), at Village-Visayakpur, Pargana & Tehsil-Akbarpur, Kanpur Dehat. INR 2,000 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: 349.60 lakh Building Value- INR: 1,419.19 lakh	Market Rate
2. Land and building situated on Arazi No. 2301, at Village-Visayakpur, Pargana & Tehsil-Akbarpur, Kanpur Dehat. INR 1,000 per sq. mt. after considering the location, shape & size and local enquiries, the market rate has been considered. Land area - 18,870 Sq. mt. Land Value - INR: 188.70 lakh Building Value- INR: 725.14 lakh	

5. Intangible assets

Particulars	Software	Technical Know How	Total
Gross Block (at deemed cost/cost)			
At April 01, 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**
Additions	95.42	-	95.42
Disposal / Adjustments	4.82	-	4.82
At March 31, 2020	**2,025.58**	**1,355.34**	**3,380.92**
Amortization			
At April 01, 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**
Amortization for the year	336.89	135.48	472.37
Disposal / Adjustments	1.95	-	1.95
At March 31, 2020	**958.08**	**146.77**	**1,104.85**
Net book value			
At March 31, 2020	**1,067.50**	**1,208.57**	**2,276.07**
At March 31, 2019	**1,311.84**	**1,344.05**	**2,655.89**

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

(Amount in INR lakh, unless otherwise stated)

6. Investments

Particulars	Units (in lakh)		Amount	
	As at March 31, 2020	**As at March 31, 2019**	**As at March 31, 2020**	**As at March 31, 2019**
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**	391.55	**3,915.52**	3,915.52
Total			**3,915.52**	**3,915.52**
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, 2020	**As at March 31, 2019**	**As at March 31, 2020**	**As at March 31, 2019**
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	**-**	1,669.10
Aditya Birla Sunlife Credit risk fund (formerly known as Birla Sunlife Corporate Bond Fund - Growth Regular)- Bonus Units	**59.49**	-	**24.71**	-
DSP Credit Risk Fund (formerly known as DSP Blackrock Income Opportunity Fund)	**-**	19.43	**-**	565.89

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

(Amount in INR lakh, unless otherwise stated)

Particulars	Units (in lakh)		Amount	
	As at March 31, 2020	**As at March 31, 2019**	**As at March 31, 2020**	**As at March 31, 2019**
ICICI prudential medium term bond fund (formerly known as ICICI prudential Corporate Bond Fund - Direct Plan - Growth)	-	20.33	-	609.40
Kotak Credit risk fund (Kotak Income Opportunity Fund - Direct Plan – Growth)	-	28.83	-	620.89
SBI credit risk fund- Direct plan (SBI Corporate Bond Fund - Direct Plan - Growth)	-	39.92	-	1,237.03
Kotak FMP Series 239 Direct-Growth*	**50.00**	50.00	**574.62**	525.76
SBI Short Term Debt Fund - Direct Plan*	**59.16**	59.16	**1,427.89**	1,303.54
UTI Corporate Bond Fund - Direct Growth Plan	-	50.00	-	528.36
UTI Credit risk fund (UTI - Income Opportunity Fund - Direct Plan - Growth)	-	34.41	-	619.70
UTI Credit risk fund (UTI - Income Opportunity Fund - Direct Plan - Growth)- Bonus units	**34.41**	-	**52.72**	-
UTI Credit risk fund (UTI - Income Opportunity Fund - Direct Plan - Growth)- Bonus units*	**34.41**	-	**6.81**	-
UTI Fixed Term Income Fund Series XXIX- IX (1109 Days)- Direct Growth Plan Advisor*	**300.00**	300.00	**2,812.38**	3,150.93
UTI Fixed Term Income Fund Series XXVI- V (1160 Days)*	**50.00**	50.00	**633.46**	583.11
Total			**5532.59**	**11413.71**
Aggregate amount of unquoted investments			**3933.53**	3933.53
Aggregate amount of quoted investments			**5532.59**	11413.71
Aggregate market value of quoted investments			**5532.59**	11413.71
***Aggregate market value of quoted investments lien marked against borrowings (refer note 17)**			**5455.16**	9776.48

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

(Amount in INR lakh, unless otherwise stated)

7. Loans (carried at amortised cost)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Unsecured, considered good		
Security deposits	**868.20**	**818.31**
Loan to employees	**128.67**	155.92
Total	**996.87**	**974.23**
Current		
Unsecured, considered good		
Security deposits	**130.08**	163.64
Loans to related parties* (including interest accrued and due INR: Nil, March 31, 2019 INR: 21.56 lakh)	**-**	270.04
Loans to employees	**148.12**	143.17
Other loans	**22.11**	53.80
Unsecured, considered doubtful		
Other loans and advances	**32.74**	32.74
Security deposits	**7.34**	10.38
	340.39	673.77
Less: Provision for doubtful loans	**(40.08)**	(43.12)
Total	**300.31**	**630.65**

* The Company had 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, 2020 (March 31, 2019: 8.50%).

8. Other financial assets

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Unsecured, considered good		
Carried at fair value through profit and loss		
Derivative assets*	**419.48**	529.28
Carried at amortised cost		
Deposits with maturity for more than 12 months	**24.16**	24.16
Margin money deposit with bank	**15.99**	20.30
Interest accrued on fixed deposits and margin money deposit	**24.77**	7.58
Total	**484.40**	**581.32**
Current		
Unsecured, considered good		
Carried at fair value through profit and loss		
Derivative assets*	**806.45**	474.97
Carried at amortised cost		
Interest accrued	**228.52**	104.30
Receivable from related parties	**442.79**	1,005.18
Margin money deposit with bank	**5.56**	-
Unbilled revenue	**214.49**	255.99
Others	**874.03**	679.94
Total	**2,571.84**	**2,520.38**

* Derivative instruments carried at fair value through profit or loss reflect the 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, 2020

(Amount in INR lakh, unless otherwise stated)

9. Other assets

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Capital advances		
Unsecured, considered good	**2,920.70**	1,557.09
Unsecured, considered doubtful	**571.06**	571.06
	3,491.76	2,128.15
Less: Allowance for doubtful advances	**(571.06)**	(571.06)
	2,920.70	1,557.09
Prepaid expenses	**40.89**	1,405.14
Balance with government authorities		
Unsecured, considered good	**21,409.67**	23,265.28
Unsecured, considered doubtful	**1.54**	1.54
	21,411.21	23,266.82
Less : Allowance for doubtful advances	**(1.54)**	(1.54)
	21,409.67	23,265.28
Subsidy receivable		
Unsecured, considered good	**30,271.45**	30,271.45
Other advances		
Unsecured, considered doubtful	**123.75**	123.75
	123.75	123.75
Less: Allowances for doubtful advances	**(123.75)**	(123.75)
	-	-
Total	**54,642.71**	**56,498.96**
Current		
Prepaid expenses	**657.33**	717.98
Balance with government authorities	**17,981.28**	16,119.20
Advance to suppliers		
Unsecured, considered good	**3,191.52**	2,263.24
Unsecured, considered doubtful	**188.16**	298.11
	3,379.68	2,561.35
Less: Allowances for doubtful advances	**(188.16)**	(298.11)
	3,191.52	2,263.24
Total	**21,830.13**	**19,100.42**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Raw material and packing material (Includes goods in transit March 31, 2020: INR 10,578.78 Lakh, March 31, 2019: INR 2,179.88 Lakh)	**42,761.02**	34,145.31
Work in progress	**20,396.57**	9,268.27
Finished goods (Includes goods in transit March 31, 2020: INR 660.99 Lakh, March 31, 2019: INR 3,790.30 Lakh)	**13,183.01**	13,390.67
Stores and spares	**8,452.86**	4,837.18
Others	**142.76**	103.37
Total	**84,936.22**	**61,744.80**

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

(Amount in INR lakh, unless otherwise stated)

11. Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Receivable from related parties		
Unsecured, considered good (refer Note-36)	**307.22**	933.05
Receivable from others		
Unsecured, considered good	**3,428.11**	1,964.13
Unsecured, considered doubtful	**96.31**	81.35
	3,831.64	2,978.53
Less: Allowance for doubtful receivables	**(96.31)**	(81.35)
Total	**3,735.33**	**2,897.18**

12(a). Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Cash on hand	**48.72**	68.34
Balances with banks:		
On current accounts	**4,623.77**	2,027.10
Deposits with original maturity of less than three months*	**6,000.20**	7,211.03
Total	**10,672.69**	**9,306.47**

* 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, 2020	As at March 31, 2019
Deposits with original maturity for more than 3 months but upto 12 months*	**13,637.12**	18.70
Total	**13,637.12**	**18.70**

* The amount includes INR: 4,999.80 lakh which is deposited as Margin for the purpose of Interest repayment on Soda ash project loan. Also, INR: 7,700.00 lakh included in above amount can be utilised for capital payments only.

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents as per balance sheet	**10,672.69**	9,306.47
Total	**10,672.69**	**9,306.47**

13. Assets Classified as held for sale

Particulars	As at March 31, 2020	As at March 31, 2019
Plant & Machinery	-	929.65
Lab equipment	-	0.10
Electrical installation and fittings	-	130.62
Office equipment	-	6.09
Total	-	**1,066.46**

14(a). Income tax assets (net)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance tax (net of Provision for income tax)	**3,435.37**	2,215.17
Total	**3,435.37**	**2,215.17**

14(b). Current tax liabilities (net)

Particulars	As at March 31, 2020	As at March 31, 2019
Current income tax liabilities (net of advances)	-	1,195.26
Total	-	**1,195.26**

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

(Amount in INR lakh, unless otherwise stated)

15. Equity share capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised share capital		
450.00 lakh (March 31, 2019: 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, 2019: 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, 2018	45000000	4,500.00
Changes during the year	-	-
At March 31, 2019	**45000000**	**4,500.00**
Changes during the year	-	-
At March 31, 2020	**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, 2018	44032500	4,403.25
Changes during the year	-	-
At March 31, 2019	**44032500**	**4,403.25**
Changes during the year	-	-
At March 31, 2020	**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, 2020, the amount of per share dividend recognised as distributions to equity shareholder was INR 7.50 (March 31, 2019: INR 5).

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, 2020		As at March 31, 2019	
	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, 2020

(Amount in INR lakh, unless otherwise stated)

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interim dividend for 2018-19 : INR 5 per share	-	2,201.63
Dividend distribution tax @ 20.555%	-	452.55
Interim dividend for 2019-20 : INR 7.50 per share	**3,302.44**	-
Dividend distribution tax @ 20.555%	**678.83**	-
Total	**3,981.27**	**2,654.18**

16. Other Equity

Particulars	Reserves and Surplus				Total
	Amalgamation reserve*	General reserve	Debenture redemption reserve**	Retained earnings	
At April 01, 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 losses on defined benefit plans (refer Note-30)	-	-	-	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**
Profit for the year	-	-	-	22,305.36	22,305.36
Other Comprehensive Income					
Re-measurement gains on defined benefit plans (refer Note-30)	-	-	-	7.59	7.59
Income tax effect on above	-	-	-	(2.65)	(2.65)
Dividends paid during the year	-	-	-	(3,302.44)	(3,302.44)
Dividend distribution tax	-	-	-	(678.83)	(678.83)
Transfer to debenture redemption reserve	-	-	499.73	(499.73)	-
At March 31, 2020	**33.86**	**28,728.09**	**1,730.70**	**195,524.92**	**226,017.57**

* 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, 2020 (March 31, 2019: INR 499.73 lakh).

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

(Amount in INR lakh, unless otherwise stated)

17. Borrowings (at amortised cost)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Secured		
Debentures		
9.20% non-convertible debentures (refer note 44)	**20,000.00**	20,000.00
Term loan from banks		
Foreign currency loans	**19,037.33**	16,457.14
Indian rupee loans	**236,331.91**	219,634.08
	255,369.24	236,091.22
Unsecured		
Finance lease obligation	**-**	98.26
Current maturities of long-term borrowings (refer note-21)		
Foreign currency loans from banks	**(7,761.67)**	(6,765.78)
Indian rupee loans from banks	**(15,511.55)**	(7,144.44)
	(23,273.22)	(13,910.22)
Total	**252,096.02**	**242,279.26**
Current		
Secured		
Cash credit from banks	**3,793.31**	7,635.31
Bank overdraft	**28.05**	2,546.90
Working capital demand loan	**31,082.04**	6,400.00
	34,903.40	16,582.21
Unsecured		
Commercial papers	**4,984.92**	19,796.23
Buyers credit	**-**	1,575.05
Loans from directors	**4,361.88**	2,194.15
	9,346.80	23,565.43
Total	**44,250.20**	**40,147.64**
Aggregate value of secured loans	**286,999.42**	258,763.21
Aggregate value of unsecured loans	**9,346.80**	23,663.69

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.

a) Foreign currency loan taken from Standard Chartered bank of USD 64.70 lakh (outstanding as on March 31, 2020: USD 38.06 lakh, March 31, 2019: 53.28 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

(Amount in INR lakh, unless otherwise stated)

from July 12, 2018.

Foreign currency loan taken from Standard Chartered bank of USD 135.29 lakh (outstanding as on March 31, 2020: USD 47.75 lakh, March 31, 2019: USD 79.58 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 Standard Chartered bank of Euro 100 lakh (outstanding as on March 31, 2020: EUR 100 lakh, March 31, 2019: Nil) taken on July 15, 2019, carrying interest @ EURIBOR plus 1.25% as per the terms of loan agreement. The loan is repayable in 17 quarterly instalments of EUR 5.88 lakh each, commencing from July 15, 2020.

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.

(iii) Plot no. 339, Kolhar Industrial Area , Kamthana Bidar , Karnataka.

(iv) Plot no. 31 to 37, Kanera Road, Gram – Accholi (Urla), Raipur (Chhattisgarh)

First and exclusive charge of all movable fixed assets 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.

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

(iv) Plot no. 339, Kolhar Industrial Area , Kamthana Bidar , Karnataka.

(v) Plot no. 31 to 37, Kanera Road, Gram – Accholi (Urla), Raipur (Chhattisgarh)

c) Foreign currency loan taken from Citi bank of USD 140.00 lakh (outstanding as on March 31, 2020: USD 52.50 lakh, March 31, 2019: USD 87.50 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, 2020: USD Nil lakh, March 31, 2019: USD 14.50 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

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

(Amount in INR lakh, unless otherwise stated)

Indian rupee term loan

a) Indian Rupee loan from State Bank of India of INR 10,000.00 lakh (outstanding as on March 31, 2020: INR Nil lakh, March 31, 2019: INR 1,999.68 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)(i). Indian Rupee loan from State Bank of India of INR 2,500.00 lakh (outstanding as on March 31, 2020: INR 459.12 lakh, March 31, 2019: INR 959.12 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).

b)(ii).Indian Rupee loan from State Bank of India of INR 1,164.86 lakh (outstanding as on March 31, 2020: INR 1,164.86 lakh, March 31, 2019: INR Nil 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, 2020: INR 3,760.68 lakh, March 31, 2019: 16,666.67), 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 current assets and movable fixed assets (both present and future) of the Company except assets of Soda ash plant.

d). Indian Rupee loan from Bank of Baroda of INR 10,000.00 lakh (outstanding as on March 31, 2020: INR 8,460.90 lakh, March 31, 2019: Nil), carries interest @ 1 year MCLR + 0.55% and Strategic Premium 0.25%. The loan is repayable in 13 quarterly instalments of INR 769.23 lakh each, commencing from December 29, 2020. 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.

e) Indian Rupee loan outstanding as on March 31, 2020: INR 222,024.18 lakh (March 31, 2019: INR 199,158.75 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, 2020, interest rate ranged between 8.70% to 9.20%. 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;

f). Indian Rupee loan Sanctioned of INR 1,200.00 lakh and draw down of INR 849.92 lakh (outstanding as on March 31, 2020: INR 711.65 lakh), 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, 2020, interest rate ranged between 9.20% 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.

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

(Amount in INR lakh, unless otherwise stated)

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 34,875.35 lakh (March 31, 2019: INR 14,035.31 lakh) and they carry interest rate ranging from 7.25% p.a to 8.75% 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 28.05 lakh (March 31, 2019: INR 2,546.90 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- UTI Credit risk fund (UTI - Income Opportunity Fund - Direct Plan - Growth) Units - 34.41 lakh.

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

3- Kotak FMP Series 239 Direct Growth- Unts- 50.00 lakh.

4. UTI Fixed Term Income Fund Series XXVI - V (1160 Days)-Direct Growth Plan- Units- 50.00 lakh.

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

Loans from directors

The Company has taken loan from directors amounting to INR 4,361.88 lakh as on March 31, 2020 (March 31, 2019: INR 2,194.15 lakh) bearing interest rate of 7.5% p.a. (March 31, 2019: 7.50% 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 Nil as on March 31, 2020 (March 31, 2019: INR 1,575.05 lakh).

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 2020 is INR 4,984.92 lakh (March 31, 2019 19,796.23 lakh), bearing interest rate of 7.00% p.a. respectively. The commercial papers are repayable by April 16, 2020.

18. Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Provision for employee benefits		
Provision for gratuity (refer note 33)	**2,504.96**	2,027.07
Provision for leave benefits	**666.08**	657.27
Total	**3,171.04**	**2,684.34**
Current		
Provision for employee benefits		
Provision for leave benefits	**319.59**	312.80
Other provisions		
Provision for contingencies** (refer note-44)	**73.92**	73.92
Total	**393.51**	**386.72**

****Movement in provisions**

Particulars	Provision for contingencies	Provision for wealth tax
At April 01, 2018	**44.35**	**8.50**
Movement during the year	**29.57**	(8.50)
At March 31, 2019	**73.92**	**-**
Movement during the year	**-**	-
At March 31, 2020	**73.92**	**-**

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

(Amount in INR lakh, unless otherwise stated)

19. Income Tax

The Deferred Tax as reported in Balance Sheet as at March 31, 2020 and March 31, 2019 are:

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liabilities (net)	**1,325.24**	11,619.85
Total	**1,325.24**	**11,619.85**

Statement of profit and loss:

Profit or loss section

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax	**2,544.34**	8,357.42
Deferred tax	**(10,297.26)**	3,861.26
Income tax expense reported in the statement of profit or loss	**(7,752.92)**	**12,218.68**

OCI section

Particulars	For the year ended March 31, 20210	For the year ended March 31, 2019
Deferred tax related to items recognised in OCI during in the year:		
Net (gain) / loss on remeasurements of defined benefit plans	**2.65**	50.94
Income tax charged to OCI	**2.65**	**50.94**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

Particulars	For the year ended March 31, 20210	For the year ended March 31, 2019
Accounting profit before income tax	**14,552.44**	37,444.87
At India's statutory effective income tax rate of 34.944% (March 31, 2019: 34.944%)	**5,085.20**	13,084.74
Adjustments:		
Impact of permanent difference on account of following:		
Expenses not allowed under Income tax act	**706.49**	370.32
Income not taxable under Income tax act	**(5.50)**	(2.39)
Effect of reduced tax rates*	**(13,212.25)**	-
Tax incentives given under Income tax act	**(202.68)**	(1,472.69)
Others	**(124.18)**	238.70
At the effective income tax rate of (53.28%) (March 31, 2019: 32.63%)	**(7,752.92)**	**12,218.68**
Income tax expense reported in the statement of profit and loss	**(7,752.92)**	**12,218.68**

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

(Amount in INR lakh, unless otherwise stated)

Deferred tax:

Particulars	Balance Sheet	
	As at March 31, 2020	**As at March 31, 2019**
Deferred tax liability on:		
Accelerated depreciation for tax purposes	**(30,676.76)**	(23,732.62)
Subsidy from Government	**(728.79)**	(12.85)
Fair value adjustments of investments	**(123.17)**	(472.68)
	(31,528.72)	(24,218.15)
Deferred tax asset on:		
Post-employment benefits	**1,214.81**	1,015.58
Expenses allowable for tax purposes on payment basis	**1,165.18**	566.39
Right to use assets	**103.22**	-
Provision for doubtful debts and advances	**356.74**	391.00
Unabsorbed Depreciation	**16,648.00**	2,635.99
MAT credit	**10,689.71**	7,929.18
Others	**25.82**	60.16
	30,203.48	12,598.30
Net deferred tax (liabilities)	**(1,325.24)**	**(11,619.85)**

Particulars	Statement of profit and loss	
	For the year ended March 31, 2020	**For the year ended March 31, 2019**
Deferred tax relates to the following:		
Accelerated depreciation for tax purposes	**6,944.14**	14,485.67
Post-employment benefits	**(201.88)**	(144.23)
Expenses allowable for tax purposes on payment basis	**(598.79)**	(20.74)
Subsidy from Government	**715.94**	269.82
Fair value adjustments of Investments	**(349.51)**	(193.53)
Right to use assets	**(103.22)**	-
Provision for doubtful debts	**34.26**	(12.65)
MAT credit	**(2,760.53)**	(7,929.18)
Unabsorbed Depreciation	**(14,012.01)**	(2,635.99)
Others	**34.34**	42.09
Net deferred tax (reversal) charge	**(10,297.26)**	**3,861.26**

Reconciliation of deferred tax liabilities (net):

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	**(11,619.85)**	(7,707.65)
Tax income (expense) during the year recognised in profit or loss	**10,297.26**	(3,861.26)
Tax (expense) during the year recognised in OCI	**(2.65)**	(50.94)
Closing balance	**(1,325.24)**	**(11,619.85)**

*As per tax ordinance dated September 20, 2019, a new tax provision has been introduced whereby a company can claim the benefits of reduced tax rates, provided it forgoes available incentives/exemptions under Income Tax Act, 1961. As per Company's projections and current incentives/exemptions, the Company has decided not to opt for the same considering the value of incentives/exemptions under Income tax Act is greater than the benefit by opting the reduced tax rates as at March 31, 2020, Consequentially, necessary adjustments has been done in recording of deferred tax liabilities. The Company will reassess the option to adopt the new tax provision every year, and adjustments, if any, will be considered in due course.

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

(Amount in INR lakh, unless otherwise stated)

20. Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro enterprises and small enterprises	**1,183.97**	2,700.94
Total outstanding dues of creditors other than micro enterprises and small enterprises	**41,200.95**	36,138.73
Total	**42,384.92**	**38,839.67**

Note: Refer note 42 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 36 (C).

For explanations on the Company's credit risk management processes, refer to Note 40.

21. Other financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of long term loans (refer note 17)	**23,273.22**	**13,910.22**
Payables on purchase of fixed assets	**20,762.17**	32,349.32
Security deposit received	**2.00**	2.00
Interest accrued but not due on borrowings	**2,711.78**	2,037.20
Employee benefit payable	**3,386.54**	4,753.84
Book overdraft	**-**	12.27
Total	**50,135.71**	**53,064.85**

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 40.

22. Other liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Deferred subsidy related to government grant**	**26,137.04**	26,902.48
Others	**943.12**	916.79
Total	**27,080.16**	**27,819.27**
Current		
Advance from dealers (Contract liabilities)*	**25,175.14**	9,844.49
Deferred subsidy related to government grant**	**2,048.82**	3,332.21
Statutory liabilities	**2,219.40**	4,345.45
Total	**29,443.36**	**17,522.15**

* Represents non-interest bearing advances received from customers.

**Movement of Government Grant

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

(Amount in INR lakh, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	**30,234.69**	42,392.39
Released to the statement of profit and loss	**2,048.82**	1,420.38
Adjustment on account of re-assessment	**-**	10,737.32
Closing balance	**28,185.87**	**30,234.69**
Current	**2,048.82**	3,332.21
Non-current	**26,137.05**	26,902.48

23 Revenue from operations

(a). Revenue from Contracts with customers

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from Contracts with Customers		
Sale of products		
Finished goods	**425,619.93**	443,672.01
Total Revenue from Contracts with Customers	**425,619.93**	**443,672.01**

(b). Other operating revenue

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of raw material / by-products	**2,604.60**	3,195.07
Sale of power	**3,622.21**	3,655.70
Sale of others	**1,405.79**	1,431.16
Total Other operating revenue	**7,632.60**	8,281.93
Total Revenue from operations (a+b)	**433,252.53**	**451,953.94**

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, 2020	For the year ended March 31, 2019
Revenue by Geography:		
Domestic	**433,195.69**	451,462.14
Overseas	**56.84**	491.80
Total revenue from contract with customers	**433,252.53**	**451,953.94**
Timing of revenue recognition		
At a point in time	**433,252.53**	451,953.94
Total revenue from contract with customers	**433,252.53**	**451,953.94**
Revenue		
External Customer	**433,252.53**	451,953.94
Inter-segment revenue	**-**	-
Inter-segment adjustments/eliminations	**-**	-
Total revenue from contract with customers	**433,252.53**	**451,953.94**

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

(Amount in INR lakh, unless otherwise stated)

24. Other income

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest income on financial assets carried at amortised cost:		
Bank deposits	**457.47**	55.64
Loan to subsidiary	**13.75**	41.76
Others	**26.96**	43.48
	498.18	140.88
Net gain on instruments at fair value through profit and loss		
Fair value gain on investments	**-**	623.47
Profit on sale of investments	**56.54**	106.14
Fair value gain on derivative instruments	**221.67**	668.00
	278.21	1,397.61
Others - Non operating revenue		
Profit on sale of Assets held for sale	**784.72**	-
Government grant	**2,048.82**	1,420.38
Foreign exchange fluctuation (net)	**-**	18.42
Liabilities no longer required written back	**510.11**	929.33
Miscellaneous Income	**333.92**	521.27
	3,677.57	2,889.40
Total	**4,453.96**	**4,427.89**

25. Cost of materials consumed

a. Raw material consumed

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventory at the beginning of the year	**34,980.17**	35,546.21
Add: Purchases	**270,953.38**	302,737.31
	305,933.55	338,283.52
Less: Inventory at the end of the year	**(42,761.02)**	(34,980.17)
Net consumption	**263,172.53**	**303,303.35**

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventory at the end of the year		
Finished goods	**13,183.01**	13,390.67
Work in progress*	**20,396.57**	9,335.47
Others	**142.76**	103.37
Inventory at the beginning 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
Net (increase)/decrease	**(10,892.83)**	**(4,519.19)**

* Includes INR Nil (March 31, 2019: INR: 67.21) produced from the trial run of Soda ash plant.

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

(Amount in INR lakh, unless otherwise stated)

26. Employee benefits expense

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, wages and bonus	**32,277.84**	30,215.46
Contribution to provident fund and other funds (refer note 33)	**1,938.20**	1,937.44
Gratuity expense (refer note 33)	**684.30**	561.20
Staff welfare expenses	**839.14**	663.54
Total	**35,739.48**	**33,377.64**

27. Depreciation and amortization expense

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on property, plant and equipment [refer note 3 (a)]	**21,447.92**	9,449.00
Depreciation on right to use assets (refer note 35)	**893.19**	-
Depreciation on investment property (refer note 4)	**52.78**	51.16
Amortisation on intangible assets [refer note 5]	**472.37**	**267.65**
Total	**22,866.26**	**9,767.81**

28. Other expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Power and fuel	**21,804.19**	9,392.61
Rent	**578.28**	1,149.80
Rates and taxes	**448.90**	612.85
Insurance	**860.73**	362.66
Repairs and maintenance		
Plant and machinery	**10,110.12**	8,584.51
Buildings	**869.44**	1,032.31
Others	**283.25**	163.61
CSR expenditure (refer details below)	**998.51**	1,018.74
Donations	**48.50**	29.60
Advertisement	**15,841.25**	17,222.54
Sales promotion	**4,142.64**	3,459.39
Contract labour	**7,405.27**	4,954.63
Foreign exchange fluctuation (net)	**31.21**	-
Freight and forwarding charges	**13,474.31**	13,311.27
Travelling and conveyance	**5,042.89**	4,414.82
Postage, telegram and telephone	**497.29**	555.62
Printing and stationery	**103.94**	119.90
Legal and professional fees	**1,404.80**	931.65
Payment to auditor (refer details below)	**178.05**	169.05
Balances written off	**23.78**	5.51
Provision for doubtful loans and advances	**-**	36.21
Provision for doubtful receivables	**14.96**	-
Provision for contingencies	**-**	29.57
Royalty	**1,053.29**	906.87
Property, plant and equipment written off	**-**	6.15
Loss on sale property, plant and equipment (net)	**63.51**	69.23
Fair value loss on investments	**28.56**	-
Miscellaneous expenses	**1,209.79**	646.93
Total	**86,517.46**	**69,186.03**

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

(Amount in INR lakh, unless otherwise stated)

Payment to auditors:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
As auditor:		
Audit fee*	**130.00**	117.00
Limited review	**42.00**	40.00
In other capacity		
For other services	**-**	-
For reimbursement of expenses	**6.05**	12.05
	178.05	169.05

*Fees for year ended March 31, 2020 includes INR 25.00 lakh of audit fee for the year ended March 31, 2019. Fees for year ended March 31, 2019 includes INR 10.00 lakh of audit fee for the year ended March 31, 2018.

Details of CSR expenditure:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Gross amount required to be spent by the Company during the year	**804.60**	942.32
Particulars	**In Cash**	**In Cash**
Amount spent during the year		
(i) Construction/acquisition of asset	**-**	107.68
(ii) on purposes other than (i) above (refer note 35B)	**998.51**	911.06
(Amount excess spent)/ amount required to be spent	**(193.91)**	(76.42)

29. Finance costs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest expense		
on bank borrowings*	**24,966.89**	7,236.42
to directors and their relatives	**365.19**	223.43
to others	**20.04**	163.40
Interest expense on lease liabilities	**207.58**	-
Other finance charges	**191.45**	198.07
Total	**25,751.15**	**7,821.32**

The above does not include interest on borrowings amounting to INR: 3,297.36 lakh (March 31, 2019: INR: 17,070.22 lakh) capitalised as borrowing cost on the qualifying assets. Refer note -45.

* The above amount includes exchange fluctuation loss on Foreign currency loans of INR: 1,166.47 lakh (March 31, 2019: INR: 436.29 lakh).

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, 2020	For the year ended March 31, 2019
Re-measurement gain on defined benefit plans	**(7.59)**	(145.77)
Income tax effect	**2.65**	50.94
Total	**(4.94)**	**(94.83)**

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

(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, 2020	For the year ended March 31, 2019
Profit attributable to equity holders of the Company	**22,305.36**	25,226.19
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)	**50.66**	**57.29**
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, 2018	**44032500**	**44032500**
Issued during the year	**0**	0
As at March 31, 2019	**44032500**	**44032500**
Issued during the year	**0**	0
As at March 31, 2020	**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.

Judgements

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:

Determining the lease term of contracts with renewal and termination options – Company as a lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Refer to Note 35 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

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

(Amount in INR lakh, unless otherwise stated)

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 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 38 and 39 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.

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

(Amount in INR lakh, unless otherwise stated)

f) Possible effect of Covid-19

As COVID-19 has been declared a global pandemic by the World Health Organization with adverse impact on economy and business especially after nationwide lockdown from the 25th of March 2020. The Company manufactures and supplies essential day-to-day products such as laundry detergents, soaps, dish wash bar, sanitary napkins and other products used for manufacturing of the above. The Company products being an essential commodity, all the more required in maintaining hygiene and cleanliness which is utmost needed during the pandemic, The Company was allowed to operate, nationwide, by the respective administrative authorities mostly in last week of March 2020 itself. Also, as per a prudent estimate, such approvals will be available in the foreseeable future.

Further, the Company has assessed the possible effects that may result from COVID-19 on the carrying amounts of financials assets, inventory, advances, property plant and equipment etc. as well as liabilities accrued. Based on such assessment, the management expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. Further, as on the signing of these financial statement, basis the above facts, the management is confident that there will not be any negative impact of Covid-19 in its business and operations. The impact of COVID-19 may impact the underlying assumptions and estimates used to prepare the Company's financial statements, which may differ from that considered as at the date of approval of these financial statements.

33. Employee benefit plans

Defined Contribution Plans

Retirement benefits in the form of provident fund, employee state insurance and national pension scheme are defined contribution schemes. The detail of contribution is as under:

Particulars	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Provident fund	**1,456.83**	**1,361.23**
Employee's state insurance	**493.30**	627.26
Amount capitalised	**(11.93)**	(51.05)
Total contribution	**1,938.20**	**1,937.44**

<u>Defined Benefit Plans</u>

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, 2020

(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, 2020	For the year ended March 31, 2019
Defined benefit obligation at the beginning of the year	**3,333.09**	**3,002.59**
Service cost	**553.90**	503.43
Interest cost	**232.45**	211.62
Benefits paid	**(209.20)**	(169.26)
Acquisitions (credit)	**-**	(58.20)
Actuarial (gain) on obligations - (Other Comprehensive Income)	**5.24**	(157.09)
Defined benefit obligation at the end of the year	**3,915.48**	**3,333.09**

Changes in the fair value of plan assets are as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Fair value of plan assets at the beginning of the year	**1,306.02**	**1,373.91**
Contribution by employer	**200.00**	-
Benefits paid	**(202.28)**	(168.09)
Interest Income	**93.95**	95.45
Return on plan assets greater than discount rate - (Other Comprehensive Income)	**12.83**	4.75
Fair value of plan assets at the end of the year	**1,410.52**	**1,306.02**

Reconciliation of fair value of plan assets and defined benefit obligation:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Defined benefit obligation	**3,915.48**	**3,333.09**
Fair value of plan assets	**(1,410.52)**	(1,306.02)
Liability recognised in the Balance Sheet	**2,504.96**	**2,027.07**

Amount recognised in Statement of Profit and Loss:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current service cost	**553.90**	**503.43**
Net interest expense	**138.50**	116.17
Amount capitalised	**(8.10)**	(58.40)
Amount recognised in Statement of profit and loss	**684.30**	**561.20**

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

(Amount in INR lakh, unless otherwise stated)

Amount recognised in Other Comprehensive Income:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Actuarial loss/(gain) on obligation	**5.24**	**(157.09)**
Return on plan assets greater than discount rate	**(12.83)**	(4.75)
Amount capitalised	**-**	16.07
Amount recognised in Other Comprehensive Income	**(7.59)**	**(145.77)**

The major categories of plan assets of the fair value of the total plan assets are as follows:

Gratuity	March 31, 2020	March 31, 2019
Investment Details	**Funded**	Funded
Investment with Insurer (State bank of India)	**100%**	100%

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount rate	**6.40%**	7.20%
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 2020 is as shown below:

Gratuity Plan	Sensitivity level		Impact on DBO	
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
Assumptions				
Discount rate	**0.50%**	0.50%	**-112.03**	-94.23
	-0.50%	-0.50%	**118.83**	99.78
Future salary increases	**0.50%**	0.50%	**115.85**	98.48
	-0.50%	-0.50%	**-110.41**	-94.00
Attrition rate	**0.50%**	0.50%	**-8.99**	-3.22
	-0.50%	-0.50%	**9.21**	3.10

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of

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

(Amount in INR lakh, unless otherwise stated)

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Within the next 12 months (next annual reporting year)	**632.65**	**499.61**
Between 1 and 5 years	**2,425.98**	2,217.78
Between 5 and 10 years	**3,802.47**	3,598.13
Total expected payments	**6,861.10**	**6,315.52**

34. Commitments and Contingencies

A. Commitments

Particulars	As at March 31, 2020	As at March 31, 2019
Estimated value of contracts in capital account remaining to be executed (net of advance)	**9,190.76**	**38,948.17**
Total	**9,190.76**	**38,948.17**

B. Contingent liabilities

Claims against the Company not acknowledged as debts*:

Particulars	As at March 31, 2020	As at March 31, 2019
Sales tax matters	**664.93**	**336.56**
Excise duty and service tax matters	**247.64**	**287.51**

* 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. Leases

Company as a Lessee

The Company has lease contracts for various lands, premises used for operating plants, sales depots, Guest houses in its operations. Leases of land for operating Plants generally have lease terms between 10 and 99 years, while Leases of premises for operating Sales Depots and guest houses generally have lease terms between 1 and 9 years. The company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the company is restricted from assigning and subleasing the leased assets.

The Company also has certain leases of premises, vehicles etc. with lease terms of 12 months or less. The Company has decided to avail the exemption to the 'short-term lease' to recognise such expense within one year without recognising the ROU asset/ lease liability.

The Company has elected to apply this Standard using the modified retrospective method with Right-of-Use assets being recognised at an amount equal to lease liability, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted.

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

(Amount in INR lakh, unless otherwise stated)

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Land	Premises	Total
As at April 01, 2019	3,163.53	1,835.34	4,998.87
Additions	-	1,432.72	1,432.72
Reversal/ Termination	-	(43.92)	(43.92)
Depreciation expense	(92.53)	(800.66)	(893.19)
As at March 31, 2020	**3,071.00**	**2,423.48**	**5,494.48**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	As at March 31, 2020
As at April 01, 2019	2,352.02
Additions	1,432.72
Accretion of interest	207.58
Reversal	(44.19)
Payments	(903.35)
As at March 31, 2020	**3,044.78**
Current	866.26
Non-current	2,178.52

The effective interest rate for lease liabilities is 8.07%, with maturity between 2021-2099

The following are the amounts recognised in profit or loss:

Particulars	For the year ended March 31, 2020
Depreciation expense of right-of-use assets	893.19
Interest expense on lease liabilities	207.58
Expense relating to short-term leases	578.28
Total amount recognised in profit or loss	1,679.05

The Company had total cash outflows for leases of INR 1,481.63 Lacs in March 31, 2020.

The Company has only those lease contracts in which company will pay fixed amount during the tenure of lease. Lease payment will increase after a fixed period with a fixed percentage which in mentioned in contract. The Company Does not have any contract that contains variable payments

Lease contracts entered in to by the Company do not have extension or termination option exercisable at the discretion of the Company although there are several contracts where the extension and termination can be exercised on mutual consent.

Company as a lessor

The Company has entered into operating leases on its investment property portfolio consisting of commercial lands and manufacturing buildings (see note 4). These leases have terms of between 3 and 20 years. Rental income recognised by the company during the year is INR 49.27 lakh (March 31, 2019: INR 46.31 lakh).

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

(Amount in INR lakh, unless otherwise stated)

36. 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
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
Reva Consultants LLP
Rudraaksh Consignors Pvt Ltd
Rudraansh Holdings LLP
Serene Finmart Private Limited
Contluxi International 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, 2020

(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, 2020	For the year ended March 31, 2019
Sale of Goods	RSPL Health BD Limited	**56.84**	491.80
Sale of Goods	Leayan Global Private Limited	**1.66**	1.78
Sale of Goods	NIF Private Limited	**11.27**	56.38
Sale of Services	Leayan Global Private Limited	**3.77**	-
Sale of Services	NIF Private Limited	**35.08**	-
Sale of Consumables	Contluxi International Private Limited	**7.04**	-
Sale of Property, Plant and equipment	NIF Private Limited	**2.13**	16.21
Sale of Property, Plant and equipment	Leayan Global Private Limited	**1.73**	19.46
Sale of Property, Plant and equipment	Contluxi International Private Limited	**207.15**	-
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	**87.23**	73.89
Reimbursement of Common cost allocation expenses	Leayan Global Private Limited	**21.81**	20.08
Reimbursement of SAP Maintenance expenses	Leayan Global Private Limited	**44.00**	60.81
Reimbursement of SAP Maintenance expenses	NIF Private Limited	**118.53**	92.50
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	**4.57**	22.62
Purchase of Goods	NIF Private Limited	**23.54**	25.48
Purchase of Goods	Leayan Global Private Limited	**2.33**	4.00
Purchase of Consumables	NIF Private Limited	**7.16**	-
Purchase of Property, Plant and equipment	Leayan Global Private Limited	**5.82**	5.00
Purchase of Property, Plant and equipment	NIF Private Limited	**7.22**	-
Rent Received	RSPL Health Private Limited	**0.36**	0.36
Rent Received	Leayan Global Private Limited	**35.20**	36.20
Rent Received	NIF Private Limited	**15.30**	8.40
Rent Received	Laxmi Devi Dayal Das Charitable Trust	**0.60**	0.60
Rent Paid	Mr. Murli Dhar	**9.60**	9.15
Rent Paid	Mr. Bimal Kumar	**28.80**	25.35
Rent Paid	Mr. Manoj Kumar	**20.40**	20.40
Rent Paid	Mr. Rohit Gyanchandani	**17.70**	14.70
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

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

(Amount in INR lakh, unless otherwise stated)

Nature of transactions	Name of related party	For the year ended March 31, 2020	For the year ended March 31, 2019
Rent Paid	Serene Finmart	**126.00**	84.00
Royalty Paid	RSPL Health Private Limited	**999.54**	872.07
Donation/CSR expenses paid	Laxmi Devi Dayal Das Charitable Trust	**132.30**	141.50
Donation/CSR expenses paid	RSPL Welfare Foundation	**840.00**	765.00
Commission C&F paid	Rene Solutions	**99.88**	109.03
Commission C&F paid	Rudraaksh Consignors Pvt Ltd	**18.00**	20.30
Incentive expense	Reva Consultants LLP	**45.98**	70.09
Incentive expense	Rudraansh Holding LLP	**18.82**	-
ISR Salary	Rudraansh Holding LLP	**528.51**	895.87
Redistribution Expense	Rudraansh Holding LLP	**-**	37.57
Sales Promotion expenses paid	Rene Solutions	**192.35**	189.35
Payment received on behalf of	Contluxi International Private Limited	**0.73**	-
Payment received on behalf of	NIF Private Limited	**2.00**	-
Payment made on behalf of	NIF Private Limited	**2.02**	18.56
Payment made on behalf of	Nimmi Buildtech Private Limited	**0.25**	-
Payment made on behalf of	Contluxi International Private Limited	**0.56**	-
Payment made on behalf of	Leayan Global Private Limited	**9.07**	1.60
Remuneration paid to key Managerial Personnel and others	Mr. Murli Dhar	**1,080.00**	1,080.00
Remuneration paid to key Managerial Personnel and others	Mr. Bimal Kumar	**1,080.00**	1,080.00
Remuneration paid to key Managerial Personnel and others	Mr. Rahul Gyanchandani	**900.00**	900.00
Remuneration paid to key Managerial Personnel and others	Mr. Manoj Kumar	**900.00**	900.00
Remuneration paid to key Managerial Personnel and others	Mr. Rohit Gyanchandani	**900.00**	900.00
Remuneration paid to key Managerial Personnel and others	Mr. Naresh Kumar Phoolwani	**6.25**	4.61
Remuneration paid to key Managerial Personnel and others	Mr. Sushil Kumar Bajpai	**56.02**	49.38
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	**2.40**	-
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	**206.81**	448.39
Commission paid	Mr. Bimal Kumar	**206.81**	448.39
Commission paid	Mr. Rahul Gyanchandani	**206.81**	448.39
Commission paid	Mr. Manoj Kumar	**206.81**	448.39
Commission paid	Mr. Rohit Gyanchandani	**206.81**	448.39

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

(Amount in INR lakh, unless otherwise stated)

Nature of transactions	Name of related party	For the year ended March 31, 2020	For the year ended March 31, 2019
Dividend Paid	Mr. Murli Dhar	**870.75**	580.50
Dividend Paid	Mr. Bimal Kumar	**825.60**	550.40
Dividend Paid	Mr. Rahul Gyanchandani	**495.38**	330.25
Dividend Paid	Mr. Manoj Kumar	**495.38**	330.25
Dividend Paid	Mr. Rohit Gyanchandani	**495.38**	330.25
Dividend Paid	Mrs. Kamla Devi	**98.89**	65.93
Dividend Paid	Mrs. Rajani Gyanchandani	**21.08**	14.05
Expenses recovered by RSPL Limited	Leayan Global Private Limited	**-**	0.14
Investment in equity shares during the year	RSPL Health Private Limited	**-**	420.00
Loan Given	RSPL Health Private Limited	**-**	420.00
Loan Given	Mr. Naresh Kumar Phoolwani	**0.70**	0.60
Security Deposit Paid	Serene Finmart Private Limited	**-**	47.42
Loan received back (including interest)	RSPL Health Private Limited	**280.47**	420.00
Loan received back	Mr. Naresh Kumar Phoolwani	**0.65**	0.58
Interest Income	RSPL Health Private Limited	**10.43**	41.76
Loans taken during the year	Mr. Murli Dhar	**5,765.00**	2,940.00
Loans taken during the year	Mr. Bimal Kumar	**4,890.00**	2,270.00
Loans taken during the year	Mr. Rahul Gyanchandani	**5,587.00**	1,370.61
Loans taken during the year	Mr. Manoj Kumar	**3,527.00**	1,087.00
Loans taken during the year	Mr. Rohit Gyanchandani	**2,312.00**	920.00
Loans taken during the year	Mrs. Seema Gyanchandani	**-**	5.50
Interest Paid	Mr. Murli Dhar	**110.71**	85.53
Interest Paid	Mr. Bimal Kumar	**63.62**	45.53
Interest Paid	Mr. Rahul Gyanchandani	**65.09**	27.95
Interest Paid	Mr. Manoj Kumar	**48.88**	30.13
Interest Paid	Mr. Rohit Gyanchandani	**77.01**	32.70
Interest Paid	Mrs. Kamla Devi	**-**	1.12
Interest Paid	Mrs. Seema Gyanchandani	**-**	0.01
Interest Paid	Mrs. Rajani Gyanchandani	**-**	0.31
Loan repayment during the year (including Interest)	Mr. Murli Dhar	**5,109.55**	2,644.62
Loan repayment during the year (including Interest)	Mr. Bimal Kumar	**4,612.40**	2,116.39
Loan repayment during the year (including Interest)	Mr. Rahul Gyanchandani	**4,795.81**	1,514.32
Loan repayment during the year (including Interest)	Mr. Manoj Kumar	**3,672.68**	913.94
Loan repayment during the year (including Interest)	Mr. Rohit Gyanchandani	**2,051.62**	710.65
Loan repayment during the year (including Interest)	Mrs. Kamla Devi	**-**	53.53
Loan repayment during the year (including Interest)	Mrs. Seema Gyanchandani	**-**	5.51
Loan repayment during the year (including Interest)	Mrs. Rajani Gyanchandani	**-**	14.55

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

(Amount in INR lakh, unless otherwise stated)

Nature of Balance	Name of related party	For the year ended March 31, 2020	As at March 31, 2019
Balance outstanding as at year end:			
Loan receivable	RSPL Health Private Limited	**-**	270.04
Loan receivable	Mr. Naresh Kumar Phoolwani	**1.39**	1.34
Loans Payable	Mr. Murli Dhar	**1,459.21**	704.12
Loans Payable	Mr. Bimal Kumar	**761.83**	426.96
Loans Payable	Mr. Rahul Gyanchandani	**1,064.61**	214.85
Loans Payable	Mr. Manoj Kumar	**187.40**	289.09
Loans Payable	Mr. Rohit Gyanchandani	**888.83**	559.13
Trade Receivables	RSPL Health Private Limited	**207.96**	701.72
Trade Receivables	RSPL Health BD Limited	**84.36**	76.78
Trade Receivables	Leayan Global Private Limited	**1.96**	35.46
Trade Receivables	NIF Private Limited	**12.94**	119.09
Security Receivables	Serene Finmart Private Limited	**42.00**	47.42
Other Recoverable	NIF Private Limited	**302.27**	577.43
Other Recoverable	Leayan Global Private Limited	**138.32**	427.75
Other Recoverable	RSPL Health Private Limited	**0.81**	-
Other Recoverable	Laxmi Devi Dayal Das Charitable Trust	**0.18**	-
Other Recoverable	Contluxi International Private Limited	**1.20**	-
Trade Payables	RSPL Health Private Limited	**19.84**	58.68
Trade Payables	NIF Private Limited	**35.57**	-
Trade Payables	Rene Solutions	**22.81**	16.20
Trade Payables	Leayan Global Private Limited	**9.32**	5.90
Trade Payables	Rudraansh Holding LLP	**56.84**	129.95
Trade Payables	Rudraaksh Consignors Pvt ltd	**0.79**	4.30
Payable to Key Management Personnel and others	Mr. Murli Dhar	**117.27**	344.07
Payable to Key Management Personnel and others	Mr. Bimal Kumar	**118.41**	344.04
Payable to Key Management Personnel and others	Mr. Rahul Gyanchandani	**118.44**	312.86
Payable to Key Management Personnel and others	Mr. Manoj Kumar	**118.39**	305.38
Payable to Key Management Personnel and others	Mr. Rohit Gyanchandani	**118.99**	320.35
Investments	RSPL Health Private Limited	**3,915.52**	3,915.52
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	**4,699.51**	4,302.01

* The Company has given guarantee on behalf of its step down wholly owned subsidiary RSPL Health BD Limited to meet its working capital requirements.

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

(Amount in INR lakh, unless otherwise stated)

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.

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, 2020 was 7.50% (March 31, 2019: 7.5%), 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, 2020	For the year ended March 31, 2019
Short-term employee benefits	**5,964.12**	**7,155.94**
Post employment benefits	**-**	-
Other long-term employee benefits	**15.03**	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.

37. 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.

38. 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, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Financial assets					
I. Classified and measured at fair value:					
Quoted investments	A	**5,532.59**	11,413.71	**5,532.59**	11,413.71
Investment in Unquoted Equity Shares	B	**18.01**	18.01	**18.01**	18.01
Derivative Assets	C	**1,225.93**	1,004.25	**1,225.93**	1,004.25
II. Classified and measured at amortised Cost:					
Security deposit paid	D	**868.20**	818.31	**868.20**	818.31
Total		**7,644.73**	**13,254.28**	**7,644.73**	**13,254.28**

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

(Amount in INR lakh, unless otherwise stated)

Particulars	Notes	Carrying value		Fair value	
		As at March 31, 2020	**As at March 31, 2019**	**As at March 31, 2020**	**As at March 31, 2019**
Financial liabilities					
I. Classified and measured at amortised Cost:					
Borrowings	D	**275,369.24**	256,091.22	**275,369.24**	256,091.22
Finance Lease Obligations	D	**-**	98.26	**-**	98.26
Total		**275,369.24**	**256,189.48**	**275,369.24**	**256,189.48**

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 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, 2020

(Amount in INR lakh, unless otherwise stated)

39. 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, 2020:

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, 2020	5,532.59	5,532.59	-	-
Investment in Unquoted Equity Shares	March 31, 2020	18.01	-	-	18.01
Derivative Assets	March 31, 2020	1,225.93	-	1,225.93	-
Assets measured at amortised cost for which fair values are disclosed (refer note 38):					
Security deposit paid	March 31, 2020	868.20	-	868.20	-
Liabilities measured at amortised cost for which fair values are disclosed (refer note 38):					
Borrowings	March 31, 2020	275,369.24	-	275,369.24	-
Finance Lease Obligations	March 31, 2020	-	-	-	-

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, 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 38):					
Security deposit paid	March 31, 2019	818.31	-	818.31	-
Liabilities measured at amortised cost for which fair values are disclosed (refer note 38):					
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.

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

(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, 2020 and March 31, 2019 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.

40. 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, 2020 and March 31, 2019.

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, 2020. 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, 2020 and March 31, 2019.

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, 2020 and March 31, 2019, company has taken interest rate swap for all of its floating interest rate borrowings.

The exposure of the Company's borrowing at floating rate of interest at the end of reporting year:

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

(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, 2020	As at March 31, 2019
Rupee term loan borrowings	236,331.91	219,634.08
USD Commercial Borrowings	10,561.33	16,457.14
EURO Commercial Borrowings	8,476.00	-

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, 2020		
INR Term loan	+200	4,313.07
INR Term loan	-200	(4,313.07)
USD Commercial Borrowings	+200	271.88
USD Commercial Borrowings	-200	(271.88)
EURO Commercial Borrowings	-200	110.07
EURO Commercial Borrowings	-200	(110.07)
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)

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, 2020		As at March 31, 2019	
	USD	EUR	USD	EUR
Financial Asset				
Trade Receivable	**1.14**	**-**	1.12	-
Exposure to foreign currency assets	**1.14**	**-**	**1.12**	**-**
Financial Liabilities				
Trade payables	**152.65**	**9.91**	55.52	4.84
Capital Creditors	**-**	**9.09**	0.89	14.69
Buyers' credit	-	-	22.48	-
Exposure to foreign currency liabilities	**152.65**	**19.00**	**78.89**	**19.53**
Net exposure to foreign currency assets / (liabilities)	**(151.51)**	**(19.00)**	**(77.77)**	**(19.53)**
Net exposure to foreign currency assets / (liabilities) (in INR)	**(11,569.68)**	**(1,610.49)**	**(5,449.34)**	**(1,546.39)**

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

(Amount in INR lakh, unless otherwise stated)

Particulars	Increase/ decrease in basis points	Effect on profit before tax	
		For the year ended March 31, 2020	For the year ended March 31, 2019
USD Sensitivity			
INR/ USD	+500	**(578.48)**	(272.47)
INR/ USD	-500	**578.48**	272.47
EURO Sensitivity			
INR/ EURO	+500	**(80.52)**	(77.32)
INR/ EURO	-500	**80.52**	77.32

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, 2020	As at March 31, 2019
Trade receivables	**3,831.64**	2,978.53
Expected credit loss rate	**1.45%**	1.45%
Expected credit loss	**55.56**	43.19
Specific provision	**40.75**	38.16
Total Provision	**96.31**	**81.35**

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, 2020 and March 31, 2019 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, 2020

(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, 2020					
Borrowings	44,250.19	-	100,544.43	151,551.60	296,346.22
Trade payables	-	42,384.92	-	-	42,384.92
Other financial liabilities	1,030.57	49,105.14	-	-	50,135.71
	45,280.76	**91,490.06**	**100,544.43**	**151,551.60**	**388,866.85**
Year ended					
March 31, 2019					
Borrowings	40,147.63	6.24	23,001.15	219,271.88	282,426.90
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**

41. 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, 2020	As at March 31, 2019
Borrowings (refer note 17)	**296,346.22**	282,426.90
Current maturities of long term loan, interest accrued on borrowings and book overdraft (refer note 21)	**25,985.00**	15,959.69
Less: Cash and cash equivalents [refer note 12 (a)]	**(10,672.69)**	(9,306.47)
Net debts (A)	**311,658.53**	**289,080.12**
Equity (B)	**230,420.82**	**212,091.79**
Net Gearing (A/B)	**135.26%**	**136.30%**

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, 2020

(Amount in INR lakh, unless otherwise stated)

42. 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, 2020	As at March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount due to micro and small enterprises	**1,183.97**	2,700.94
Interest due on above	**3.40**	36.93
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	**3.40**	36.93
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.	**3.40**	36.93

43. 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, 2020	100%	100%
March 31, 2019	100%	100%
Quoted (Yes / No)	No	No

44. 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 in previous years 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, 2020

(Amount in INR lakh, unless otherwise stated)

45. 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, 2020**	**For the year ended March 31, 2019**
Amount carried forward from previous financial year	**12,291.56**	25,631.55
Employee benefits expenses	**457.33**	2,006.07
Power & fuel	**1,218.35**	4,580.34
Legal and professional	**-**	266.41
Rent	**-**	177.79
Maintenance expenses	**-**	431.90
Travelling and conveyance	**-**	162.47
Insurance	**-**	389.18
Miscellaneous expenses	**-**	669.50
Finance costs	**3,297.36**	17,070.22
Goods produced from trial run	**(5,698.52)**	(4,229.81)
Cost of material consumed	**2,314.84**	2,665.05
Miscellaneous income	**(612.37)**	(210.46)
Amount capitalised in property, plant and equipment	**(10,450.37)**	(37,318.65)
Total	**2,818.18**	**12,291.56**

46. 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: June 24, 2020

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: June 24, 2020

INDEPENDENT AUDITOR'S REPORT

To the Members of RSPL Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind 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 2020, 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 and based on the consideration of report of other auditor on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2020, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated 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 Consolidated Ind 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 consolidated Ind 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, 2020. 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.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2"><u>Capitalization of Property, plant and equipment and consequential tax impact</u>
(as described in note 45 of the consolidated Ind AS financial statements)</td></tr>
<tr><td>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, 2020, the Company has completed the capitalization of the entire plant (both Stream I and Stream II) amounting to INR 337,277 lakh under various heads of Property, plant and equipment out of which INR 255,429 lakh was capitalized in the previous year pertaining to Stream I.

Capitalization 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 capitalized 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 10,689 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.</td><td>Our audit audit procedures include the following:

• 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 capitalization 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 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 tax specialist to check the income tax computation 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.</td></tr>
</table>

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2"><u>Impairment assessment of Assets pertaining to the Soda Ash plant</u>
(as described in note 32 (a) of the Consolidated Ind AS financial statements)</td></tr>
<tr><td>The Company has in the current year completed the capitalization of its soda ash plant. The written down value of the assets as at March 31, 2020 is INR 367,868 lakhs.

During the current year, impairment indicators were identified by the management. As a result, an impairment assessment was required to be performed by the management under Ind AS 36 – Impairment of Assets by comparing the carrying value of the Property, Plant & Equipment to their recoverable amount to determine whether an impairment needs to be recognized.

For the purpose of the above impairment testing, value in use has been determined by forecasting and discounting future cash flows. Furthermore, the value in use is highly sensitive to changes in the inputs used e.g. the discounting rate, terminal value, etc. and involves significant judgement.

Accordingly, the impairment assessment of the assets was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.</td><td>Our audit procedures included the following:
• We have tested the design and implementation of controls in respect of the processes and procedures in the Company which govern the impairment estimation and valuation procedures by management.
• We assessed the appropriateness of the management's valuation methodology applied in determining the recoverable amounts;
• Together with our valuation specialists, we reviewed significant assumptions considered by the management eg: discount rate, terminal growth rates etc.
• We assessed the assumptions around the key drivers of the cash flow forecasts eg: revenue realization rates, annual price increases and EBITDA percentage basis the industry data
• We also assessed the recoverable value headroom by performing sensitivity testing of key assumptions used;
• We discussed changes in key drivers as compared to previous year / actual performance with management to evaluate the inputs and assumptions used in the valuation models;
• We tested the arithmetical accuracy of the models;
• We assessed the disclosures in the Ind AS financial statements in compliance with the relevant accounting standards requirements.</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 Director's report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated Ind 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 consolidated Ind 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 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 consolidated Ind 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 Ind AS 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 consolidated Ind 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 consolidated Ind 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 with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind 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 entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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 consolidated Ind AS financial statements for the financial year ended March 31, 2020 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 8,363.28 as at March 31, 2020, and total revenues of INR 22,705.13 and net cash inflows of INR 1,147.93 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 auditors.

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 auditors 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:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

(b) 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;

(c) 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;

(d) 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;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy 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 1" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Holding Company, its subsidiary incorporated in India to their 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 consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated Ind AS financial statements – Refer Note 34B to the consolidated Ind AS financial statements;

ii. 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, its subsidiary incorporated in India during the year ended March 31, 2020.

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

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN:

Place of Signature: Gurugram
Date: June 24, 2020

ANNEXURE – 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RSPL LIMITED

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

In conjunction with our audit of the consolidated financial statements of RSPL Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of RSPL Limited (hereinafter referred to as the "Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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, specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit 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, 2020:

The Holding Company did not have an appropriate internal control system in place with respect to carrying out background check during selection of vendors which may potentially result in material misstatement of purchase of goods and services with such vendors.

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 consolidated 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, its subsidiary company, which are companies 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 at March 31, 2020, 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, 2020, and the Consolidated Statement of Profit and Loss 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 audit of the March 31, 2020 consolidated financial statements of RSPL Limited and this report does not affect our report dated June 24, 2020 which expressed an unqualified opinion on those standalone financial statements.

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

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN:

Place: Gurugram
Date: June 24, 2020

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

(Amount in INR lakh, unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
Assets			
Non-current assets			
Property, plant and equipment	3 (a)	**442,790.48**	375,957.46
Right to use assets	35	**5,588.31**	-
Capital work-in-progress	3 (b)	**26,403.64**	96,615.95
Investment property	4	**2,170.79**	1,485.81
Intangible assets	5	**2,276.08**	2,655.90
Financial assets			
Investments	6	**18.01**	18.01
Loans	7	**1,011.77**	974.22
Other financial assets	8	**484.40**	581.32
Other assets	9	**54,647.83**	56,545.74
Income tax assets (net)	22 (b)	**4,844.99**	3,400.83
Deferred tax assets	18	**15.68**	5.42
		540,251.98	538,240.66
Current assets			
Inventories	10	**87,448.48**	63,430.53
Financial assets			
Investments	6	**5,532.59**	11,413.71
Loans	7	**343.95**	391.41
Trade receivables	11	**3,443.01**	2,118.68
Cash and cash equivalents	12 (a)	**12,460.68**	9,914.17
Bank balances other than above	12 (b)	**13,637.12**	18.70
Other financial assets	8	**2,755.04**	2,610.05
Other assets	9	**22,405.49**	19,577.63
Assets classified as held for sale	13	**-**	1,066.46
		148,026.36	110,541.34
Total assets		**688,278.34**	648,782.00
Equity and liabilities			
Equity			
Equity share capital	14	**4,403.25**	4,403.25
Other equity	15	**224,583.71**	204,602.21
Total equity		**228,986.96**	209,005.46
Non-current liabilities			
Financial liabilities			
Borrowings	16	**252,096.02**	242,279.25
Lease liabilities	35	**2,241.00**	-
Provisions	17	**3,337.01**	2,873.11
Deferred tax liabilities (net)	18	**1,335.35**	11,630.78
Other liabilities	19	**27,080.17**	27,819.27
		286,089.55	284,602.41
Current liabilities			
Financial liabilities			
Borrowings	16	**44,419.76**	40,999.28
Lease liabilities	35	**898.02**	-
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	20	**1,183.97**	2,700.94
Total outstanding dues of creditors other than micro enterprises and small enterprises	20	**46,230.94**	39,191.50
Other financial liabilities	21	**50,172.07**	53,097.92
Other liabilities	19	**29,806.43**	17,601.34
Provisions	17	**447.15**	387.89
Current tax liabilities (net)	22 (a)	**43.49**	1,195.26
Total liabilities		**173,201.83**	155,174.13
Total equity and liabilities		**688,278.34**	648,782.00
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: June 24, 2020

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: June 24, 2020

EVOLUTION IS CONSTANT

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

(Amount in INR lakh, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Income			
Revenue from operations	23	**456,054.62**	468,090.95
Other income	24	**4,500.75**	4,390.11
Total income		**460,555.37**	472,481.06
Expenses			
Cost of materials consumed	25 (a)	**278,838.69**	315,641.66
Change in inventories of finished goods, work-in-progress and others	25 (b)	**(10,728.17)**	(4,491.45)
Employee benefits expense	26	**36,812.16**	34,292.68
Finance costs	28	**25,849.75**	7,989.46
Depreciation and amortization expense	27	**23,027.09**	9,885.55
Other expenses	29	**89,594.68**	70,379.76
Total expenses		**443,394.20**	433,697.66
Profit before tax		**17,161.17**	38,783.40
Tax expense :			
Current tax	18	**3,266.56**	8,784.64
Deferred tax	18	**(10,308.85)**	3,808.61
Adjustment of tax related to earlier periods	18	**173.79**	(7.96)
Profit for the year		**24,029.67**	26,198.11
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
Re-measurement gains on defined benefit plans	30	**5.89**	145.01
Income tax effect		**(2.22)**	(50.72)
Items that will be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations		**(70.57)**	(44.78)
Other comprehensive income/(expense) for the year		**(66.90)**	49.51
Total comprehensive income for the year		**23,962.77**	26,247.62
Earnings per equity share:	31		
(1) Basic		**54.57**	59.50
(2) Diluted		**54.57**	59.50
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: June 24, 2020

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

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Managing Director
DIN - 00049337

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

Place: Gurugram
Date: June 24, 2020

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

(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, 2018	**44,032,500**	**4,403.25**
Issue of share capital	-	-
At March 31, 2019	**44,032,500**	**4,403.25**
Issue of share capital	-	-
At March 31, 2020	**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 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 30)	-	-	-	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**
Profit for the year	-	-	-	24,029.67	-	24,029.67
Other comprehensive income (refer note 30)	-	-	-	3.67	(70.57)	(66.90)
Dividend paid during the year	-	-	-	(3,302.44)	-	(3,302.44)
Dividend distribution tax	-	-	-	(678.83)	-	(678.83)
Transfer to debenture redemption reserve	-	-	499.73	(499.73)	-	-
At March 31, 2020	**33.86**	**28,728.09**	**1,730.70**	**194,281.27**	**(190.21)**	**224,583.71**
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: June 24, 2020

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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: June 24, 2020

RSPL
EVOLUTION IS CONSTANT

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

(Amount in INR lakh, unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**17,161.17**	38,783.40
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	**23,027.09**	9,885.55
Unrealised exchange difference loss/(gain)	**291.91**	(267.22)
Provision for doubtful loans and advances / trade receivables	**51.96**	36.00
(Profit) on sales of Assets held for sale	**(784.72)**	-
Balances written off	**23.78**	6.00
Property, plant and equipment written off	**-**	6.15
Fair value gain/(loss) on investments	**28.56**	(623.00)
Liabilities no longer required written back	**(510.11)**	(929.33)
Profit on sale of investments	**(56.54)**	(106.14)
Fair value gain on derivative instruments	**(221.67)**	(668.00)
Right to use assets/ Liability (net)	**(2,449.29)**	-
Interest and financial charges	**25,849.75**	7,989.00
Loss/(profit) on sales of property, plant and equipment (net)	**63.51**	(69.24)
Foreign currency translation reserve	**(70.57)**	(44.78)
Interest income	**(501.68)**	(99.12)
Operating profit before working capital changes	**61,903.15**	53,899.27
Add: Working Capital Changes :		
(Increase)/decrease in inventories	**(24,017.95)**	(4,447.77)
(Increase)/decrease in trade receivables	**(1,364.92)**	(473.48)
Decrease/(increase) in loans	**9.91**	(22.60)
(Increase) in other financial assets	**(13,303.41)**	(1,348.99)
Decrease in other assets	**366.50**	2,024.70
Increase/(decrease) in trade payables	**5,732.82**	(64.38)
Increase in provisions	**529.05**	709.43
(Decrease) in other financial liabilities	**(1,366.80)**	(47.19)
Increase/(decrease) in other liabilities	**11,465.99**	(10,022.07)
Cash Flow from operations	**39,954.34**	40,206.92
Less: Direct taxes paid (net)	**(6,036.28)**	(7,968.78)
NET CASH FROM OPERATING ACTIVITIES (A)	**33,918.06**	32,238.14

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, 2020**	For the year ended March 31, 2019
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant & equipment (including capital work in progress and capital advance)	**(32,768.09)**	(90,251.86)
	Proceeds from sale of property, plant and equipment and Assets held for Sale	**2,434.60**	321.93
	Subsidy Received	**152.11**	-
	Sale of investments (net)	**5,909.10**	5,075.09
	Proceeds from fixed deposits (net)	**-**	(1.15)
	Interest received	**360.27**	71.41
	NET CASH USED IN INVESTING ACTIVITIES (B)	**(23,912.01)**	(84,784.58)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Interest paid	**(24,008.70)**	(7,097.32)
	Proceeds from long term borrowings	**41,546.59**	85,426.38
	Repayment of long term borrowings	**(23,309.26)**	(14,135.13)
	Payment of Lease liabilities	**(903.34)**	-
	Proceeds/ (repayment) of short term borrowings (net)	**3,196.44**	(2,044.64)
	Dividend paid (including Dividend Distribution Tax)	**(3,981.27)**	(2,654.18)
	NET CASH FROM FINANCING ACTIVITIES (C)	**(7,459.54)**	59,495.11
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**2,546.51**	6,948.67
	Cash and cash equivalents at the beginning of the year	**9,914.17**	2,965.50
	Cash and cash equivalents at the end of the year	**12,460.68**	9,914.17
	NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	**2,546.51**	6,948.67
	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: June 24, 2020

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: June 24, 2020

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1. 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, 2020. 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 36**.

The consolidated financial statements were approved for issue in accordance with a resolution of the directors on June 24, 2020.

2. Significant accounting policies

2.1 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 Group uses 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.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2020. 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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

events in similar circumstances. If a member of the group uses accounting policies other than those adopted 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.

2.3 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 Group 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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

- 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 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.

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 Group expects to be entitled in exchange for those goods or services.

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 Group 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 Group’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 Group 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.

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.

Change in accounting policy- Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It 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. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Group applies significant judgement in identifying uncertainties over income tax treatments.

Upon adoption of the Appendix C to Ind AS 12, the Group considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Group's tax filings in tax jurisdictions include deductions related to transfer pricing and the taxation authorities may challenge those tax treatments. The Group determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments will be accepted by the taxation authorities. The Appendix did not have an impact on the financial statements of the Group.

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 Group will pay normal income tax during the specified period, i.e., the period for which

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

MAT credit is allowed to be carried forward. In the year in which the Group 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 Group 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 Group 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.

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 less accumulated 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 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/ deletions is 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.

j. 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 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.

k. 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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

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 - 5 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.

l. 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.

m. Accounting policy on Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (s) Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Change in accounting policy- Ind AS-116

The Ministry of Corporate Affairs has notified Indian Accounting Standard 116 ('Ind AS 116'), Leases, with effect from April 1, 2019. The Standard primarily requires the Group, as a lessee, to recognize, at the commencement of the lease a Right-to-use (ROU) asset and a lease liability (representing present value of unpaid lease payments). The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets). Such ROU assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance costs. The Group has elected to apply this Standard using the modified retrospective method with Right-of use assets being recognised at an amount equal to lease liability, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2020 have not been retrospectively adjusted.

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

As a result, the Group has recognised ROU of INR 5,588.31 lakh with corresponding lease liability of INR 3,139.02 lakh. Also in relation to those lease under Ind AS 116, the Group has recognised depreciation amounting to INR 941.18 lakh and interest on lease amounting to INR 213.60 lakh instead of operating lease expense of INR 960.39 lakh.

n. 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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

o. 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').

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 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.

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 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.

r. 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 Group 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 Group recognises 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 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.

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.

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)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

- 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. Group has 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:

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 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:

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 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. Group has 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 Group has 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.

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:

a. Financial assets that are debt instruments, and are measured at amortised 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 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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

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.

t. 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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

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 Group'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 Group (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 Group and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

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, 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
Reclassified to assets held for sale	-	-	-	-	2,746.78	0.93	-	542.32	121.74	0.00	-	-	3,411.77
FCTR	29.37	-		8.95	21.16	0.13	-	3.15	0.66	0.93	0.52	1.33	66.20
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**
Additions	170.70	-	9.52	19,084.85	69,395.85	98.94	-	330.91	207.61	219.09	97.14	600.94	90,215.55
Disposals	-	-	133.73	-	686.15	0.59	-	1.96	31.30	9.04	50.27	188.03	1,101.07
Adjustments	461.88	(461.88)	-	-	(1,018.30)	1.94	-	696.17	324.05	-	(3.86)	-	0.00
Reclassified to right to use asset	-	1,380.33	-	-	-	-	-	-	-	-	-	-	1,380.33
Reclassified to Investment Property	5.75	-	-	-	-	-	-	-	-	-	-	-	5.75
FCTR	81.27	-	-	24.78	60.20	0.36	-	8.74	1.86	3.32	1.43	3.67	185.63
Reclassified to assets held for sale	-	-	-	-	449.32	-	-	-	-	-	-	-	449.32
At March 31, 2020	**30,019.08**	**-**	**203.90**	**73,781.58**	**352,392.17**	**405.71**	**20,763.47**	**3,980.43**	**1,736.18**	**1,339.19**	**1,274.57**	**5,670.38**	**491,566.66**
Depreciation													
At April 01, 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
Reclassified to assets held for sale	-	-	-	-	1,817.13	0.83	-	411.70	115.65	-	-	-	2,345.31
FCTR	-	-		5.80	3.28	0.08	-	0.76	0.43	0.77	0.18	1.00	12.30
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**
Depreciation for the year	-	-	44.08	2,591.15	16,249.81	38.40	1,169.45	370.48	198.37	231.71	122.87	543.44	21,559.76
Disposals	-	-	22.26	-	437.02	0.14	-	1.92	10.56	6.98	10.57	165.48	654.93
Adjustments	-	-	-	-	(210.69)	0.40	-	137.84	72.17	-	0.28	-	0.00
Reclassified to right to use asset	-	66.22	-	-	-	-	-	-	-	-	-	-	66.22
FCTR	-	-	-	20.23	12.94	0.33	-	2.92	1.49	2.61	0.64	3.08	44.24
Reclassified to assets held for sale	-	-	-	-	251.16	-	-	-	-	-	-	-	251.16
At March 31, 2020	**-**	**-**	**63.38**	**9,257.23**	**26,518.31**	**103.98**	**5,403.92**	**1,347.70**	**918.61**	**888.67**	**455.63**	**3,818.75**	**48,776.18**
Net book value													
At March 31, 2020	**30,019.08**	**-**	**140.52**	**64,524.35**	**325,873.86**	**301.73**	**15,359.55**	**2,632.73**	**817.57**	**450.52**	**818.94**	**1,851.63**	**442,790.48**
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

Note: (i) Refer note 16 for assets pledged against borrowings.

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

At March 31, 2020	26,403.64
At March 31, 2019	96,615.95

*Capital work in progress includes pre-operative expenses pending allocation amounting to INR: 2,818.18 (March 31, 2019: INR: INR: 12,291.56 lakh) (refer note-45).

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

(Amount in INR lakh, unless otherwise stated)

4. Investment Property

Particulars	Freehold Land	Building	Total
Gross Block (at deemed cost/cost)			
At April 01, 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**
Additions	6.38	725.63	732.01
Reclassified from Property, plant and equipment	5.75	-	5.75
At March 31, 2020	**276.61**	**2,152.41**	**2,429.02**
Depreciation			
At April 01, 2018	-	154.29	154.29
Depreciation for the year	-	51.16	51.16
Disposal / Adjustments	-	-	-
At March 31, 2019	**-**	**205.45**	**205.45**
Depreciation for the year	-	52.78	52.78
Disposal / Adjustments	-	-	-
At March 31, 2020	**-**	**258.23**	**258.23**
Net book value			
At March 31, 2020	**276.61**	**1,894.18**	**2,170.79**
At March 31, 2019	**264.48**	**1,221.33**	**1,485.81**

Information regarding income and expenditure of Investment property

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rental income derived from investment properties	**31.00**	27.00
Profit arising from investment properties before depreciation	**31.00**	27.00
Less – Depreciation	**52.78**	51.16
Profit arising from investment properties before indirect expenses	**(21.78)**	(24.16)

As at March 31, 2020 and March 31, 2019, the fair values of the properties are INR 3,341,91 lakh and INR 2,334.53 lakh respectively. These valuations are based on valuations performed by independent valuer.

Reconciliation of fair value:

Particulars	Amount
At April 01, 2018	**2,092.96**
Adjustments	(51.16)
Purchases	68.65
Fair value difference	224.08
At March 31, 2019	**2,334.53**
Purchases	737.76
Adjustments	(52.78)
Fair value difference	322.40
At March 31, 2020	**3,341.91**

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

(Amount in INR lakh, unless otherwise stated)

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

Particulars	Valuation technique
1. Land and building situated on Arazi No.2298, 2299, 2300, 2302, 2303, 2305 (M), at Village-Visayakpur, Pargana & Tehsil-Akbarpur, Kanpur Dehat. INR 2,000 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: 349.60 lakh Building Value- INR: 1,419.19 lakh	Market Rate
2. Land and building situated on Arazi No. 2301, at Village-Visayakpur, Pargana & Tehsil-Akbarpur, Kanpur Dehat. INR 1,000 per sq. mt. after considering the location, shape & size and local enquiries, the market rate has been considered. Land area - 18,870 Sq. mt. Land Value - INR: 188.70 lakh Building Value- INR: 725.14 lakh	
3. 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. Land area - 4,490.00 Sq. mt. Land Value - INR 76.33 lakhs 4. 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. Land area - 14.14 Hectare Land Value - INR 582.95 lakhs	

5(a). Intangible assets

Particulars	Software	Technical Know How	Total
Gross Block (at deemed cost/cost)			
At April 01, 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**
Additions	95.42	-	95.42
Disposal / Adjustments	4.82	-	4.82
At March 31, 2020	**2,025.58**	**1,355.34**	**3,380.92**
Amortization			
At April 01, 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**
Amortisation for the year	336.89	135.48	472.37
Disposal / Adjustments	1.95	-	1.95
At March 31, 2020	**958.08**	**146.76**	**1,104.84**
Net book value			
At March 31, 2020	**1,067.50**	**1,208.58**	**2,276.08**
At March 31, 2019	1,311.84	1,344.06	2,655.90

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

(Amount in INR lakh, unless otherwise stated)

6. Investments

Particulars	Units (in lakh)		Amount	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
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, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
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	**-**	1,669.10
Aditya Birla Sunlife Credit risk fund (formerly known as Birla Sunlife Corporate Bond Fund - Growth Regular)- Bonus Units	**59.49**	-	**24.71**	-
DSP Credit Risk Fund (formerly known as DSP Blackrock Income Opportunity Fund)	**-**	19.43	**-**	565.89
ICICI prudential medium term bond fund (formerly known as ICICI prudential Corporate Bond Fund - Direct Plan - Growth)	**-**	20.33	**-**	609.40
Kotak Credit risk fund (Kotak Income Opportunity Fund - Direct Plan – Growth)	**-**	28.83	**-**	620.89
SBI credit risk fund- Direct plan (SBI Corporate Bond Fund - Direct Plan - Growth)	**-**	39.92	**-**	1,237.03

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

(Amount in INR lakh, unless otherwise stated)

Particulars	Units (in lakh)		Amount	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Kotak FMP Series 239 Direct-Growth*	**50.00**	50.00	**574.62**	525.76
SBI Short Term Debt Fund - Direct Plan*	**59.16**	59.16	**1,427.89**	1,303.54
UTI Corporate Bond Fund - Direct Growth Plan	**-**	50.00	**-**	528.36
UTI Credit risk fund (UTI - Income Opportunity Fund - Direct Plan - Growth)	**-**	34.41	**-**	619.70
UTI Credit risk fund (UTI - Income Opportunity Fund - Direct Plan - Growth)- Bonus units	**34.41**	-	**52.72**	-
UTI Credit risk fund (UTI - Income Opportunity Fund - Direct Plan - Growth)- Bonus units*	**34.41**	-	**6.81**	-
UTI Fixed Term Income Fund Series XXIX- IX (1109 Days)- Direct Growth Plan Advisor*	**300.00**	300.00	**2,812.38**	3,150.93
UTI Fixed Term Income Fund Series XXVI- V (1160 Days)*	**50.00**	50.00	**633.46**	583.11
Total			**5,532.59**	**11,413.71**
Aggregate amount of unquoted investments			**18.01**	**18.01**
Aggregate amount of quoted investments			**5,532.59**	**11,413.71**
Aggregate market value of quoted investments			**5,532.59**	**11,413.71**
***Aggregate market value of quoted investments lien marked against borrowings (refer note 16)**			**5,455.16**	**9,776.48**

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

(Amount in INR lakh, unless otherwise stated)

7. Loans (carried at amortised cost)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Unsecured, considered good		
Security deposits	**868.20**	818.30
Loans to employees	**143.57**	155.92
Total	**1,011.77**	**974.22**
Current		
Unsecured, considered good		
Security deposits	**137.00**	169.97
Loans to employees	**184.84**	167.64
Other loans	**22.11**	53.80
Unsecured, considered doubtful		
Other loans and advances	**32.74**	32.74
Security deposits	**7.34**	10.38
	384.03	434.53
Less: Provision for doubtful loans	**(40.08)**	(43.12)
Total	**343.95**	**391.41**

8. Other financial assets

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Unsecured, considered good		
Carried at fair value through profit and loss		
Derivative assets*	**419.48**	529.28
Carried at amortised cost		
Deposits with remaining maturity for more than 12 months	**24.16**	24.16
Margin money deposits with banks	**15.99**	20.30
Interest accrued on fixed deposits	**24.77**	7.58
Total	**484.40**	**581.32**
Current		
Unsecured, considered good		
Carried at fair value through profit and loss		
Derivative assets*	**806.45**	474.97
Carried at amortised cost		
Interest accrued on fixed deposits	**228.52**	104.30
Receivable from related parties	**441.98**	1,005.18
Others	**883.02**	679.94
Margin money deposits	**169.50**	89.67
Unbilled Revenue	**225.57**	255.99
Total	**2,755.04**	**2,610.05**

* Derivative instruments carried at fair value through profit or loss reflect the 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, 2020

(Amount in INR lakh, unless otherwise stated)

9. Other assets

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Capital advances		
Unsecured, considered good	**2,923.89**	1,603.66
Unsecured, considered doubtful	**608.06**	571.06
	3,531.95	2,174.72
Less: Allowances for doubtful capital advances	**(608.06)**	(571.06)
	2,923.89	1,603.66
Prepaid expenses	**42.82**	1,405.36
Balance with government authorities		
Unsecured, considered good	**21,409.67**	23,265.27
Unsecured, considered doubtful	**1.54**	1.54
	21,411.21	23,266.81
Less: Allowances for other doubtful advances	**(1.54)**	(1.54)
	21,409.67	23,265.27
Subsidy receivable	**30,271.45**	30,271.45
Unsecured, considered doubtful	**123.75**	123.75
	123.75	123.75
Less: Allowances for doubtful advances	**(123.75)**	(123.75)
	-	-
Total	**54,647.83**	**56,545.74**
Current		
Prepaid expenses	**678.24**	747.85
Balance with government authorities	**18,080.95**	16,341.44
Advance to Suppliers		
Unsecured, considered good	**3,646.30**	2,488.34
Unsecured, considered doubtful	**192.17**	302.12
	3,838.47	2,790.46
Less: Allowances for doubtful advances	**(192.17)**	(302.12)
	3,646.30	2,488.34
Total	**22,405.49**	**19,577.63**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Raw material and packing material (Includes goods in transit March 31, 2020: INR 10,939.40 Lakh, March 31, 2019: INR 2,319.53 Lakh)	**44,975.02**	35,368.12
Work in progress (Includes goods in transit March 31, 2020: INR Nil, March 31, 2019: INR 139.65 Lakh)	**20,477.53**	9,268.27
Finished goods (Includes goods in transit March 31, 2020: INR 660.99 Lakh, March 31, 2019: INR 3,790.30 Lakh)	**13,398.24**	13,853.59
Stores and spares	**8,454.93**	4,837.18
Others	**142.76**	103.37
Total	**87,448.48**	**63,430.53**

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

(Amount in INR lakh, unless otherwise stated)

11. Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Receivable from related parties		
Unsecured, considered good (refer note-36)	**14.90**	154.55
Receivable from others		
Unsecured, considered good	**3,428.11**	1,964.13
Unsecured, considered doubtful	**96.31**	81.35
	3,539.32	2,200.03
Less: Allowances for doubtful receivables	**(96.31)**	(81.35)
Total	**3,443.01**	**2,118.68**

12(a). Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Cash on hand	**50.91**	69.20
Balances with banks:		
On current accounts	**6,409.57**	2,633.94
Deposits with original maturity of less than three months*	**6,000.20**	7,211.03
Total	**12,460.68**	**9,914.17**

* 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, 2020	As at March 31, 2019
Deposits with original maturity for more than 3 months but upto 12 months	**13,637.12**	18.70
Total	**13,637.12**	**18.70**

* The amount includes INR: 4,999.80 lakh which is deposited as Margin for the purpose of Interest repayment on Soda ash project loan. Also, INR: 7,700.00 lakh included in above amount can be utilised for capital payments only.

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

Cash and cash equivalents as per balance sheet	**12,460.68**	9,914.17
Total	**12,460.68**	**9,914.17**

13. Assets Classified as held for sale

Particulars	As at March 31, 2020	As at March 31, 2019
Plant & Machinery	-	929.65
Lab equipment	-	0.10
Electrical installation and fittings	-	130.62
Office equipment	-	6.09
Total	-	**1,066.46**

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

(Amount in INR lakh, unless otherwise stated)

14. Equity share capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised share capital		
450.00 lakh (March 31, 2019: 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, 2019: 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 March 31, 2018	45,000,000	4,500.00
Changes during the year	-	-
At March 31, 2019	**45,000,000**	**4,500.00**
Changes during the year	-	-
At March 31, 2020	**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 March 31, 2018	44,032,500	4,403.25
Changes during the year	-	-
At March 31, 2019	**44,032,500**	**4,403.25**
Changes during the year	-	-
At March 31, 2020	**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, 2020, the amount of per share dividend recognised as distributions to equity shareholder was INR 7.50 (March 31, 2019: INR 5).

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, 2020		As at March 31, 2019	
	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, 2020

(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 2018-19 : INR 5 per share	-	2,201.63
Dividend distribution tax @ 20.555%	-	452.55
Interim dividend for 2019-20 : INR 7.50 per share	**3,302.44**	-
Dividend distribution tax @ 20.555%	**678.83**	-
Total	**3,981.27**	**2,654.18**

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, 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 losses on defined benefit plans	-	-	-	145.01	-	145.01
Income tax effect on above	-	-	-	(50.72)	-	(50.72)
Currency translation difference	-	-	-	-	(44.78)	(44.78)
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**
Profit for the year	-	-	-	24,029.67	-	24,029.67
Other comprehensive income						
Re-measurement gains on defined benefit plans	-	-	-	(5.89)	-	(5.89)
Income tax effect on above	-	-	-	2.22	-	2.22
Currency translation difference	-	-	-	-	(70.57)	(70.57)
Interim dividends	-	-	-	(3,302.44)	-	(3,302.44)
Dividend distribution tax	-	-	-	(678.83)	-	(678.83)
Transfer to debenture redemption reserve	-	-	499.73	(499.73)	-	-
At March 31, 2020	**33.86**	**28,728.09**	**1,730.70**	**194,273.93**	**(190.21)**	**224,576.37**

* 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 Group 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, 2020 (March 31, 2019: INR 499.73 lakh).

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

(Amount in INR lakh, unless otherwise stated)

16. Borrowings (at amortised cost)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Secured		
Debentures		
9.20% non-convertible debentures (refer note 44)	**20,000.00**	20,000.00
Term loan from banks		
Foreign currency loan	**19,037.33**	16,457.13
Indian rupee loan	**236,331.91**	219,634.08
	255,369.24	236,091.21
Unsecured		
Finance lease obligations	**-**	98.26
Current maturities of long-term borrowings (refer note-21)		
Foreign currency loans from banks	**(7,761.67)**	(6,765.78)
Indian rupee loans from banks	**(15,511.55)**	(7,144.44)
	(23,273.22)	(13,910.22)
Total	**252,096.02**	**242,279.25**
Current		
Secured		
Cash credit from banks	**3,793.31**	7,635.31
Bank overdraft	**28.05**	2,546.90
Working capital demand loan	**31,082.04**	6,400.00
Other borrowings	**-**	682.10
	34,903.40	17,264.31
Unsecured		
Commercial Papers	**4,984.92**	19,796.23
Buyers credit	**0.26**	1,575.29
Loans from directors and their relatives	**4,531.18**	2,363.45
	9,516.36	23,734.97
Total	**44,419.76**	**40,999.28**
Aggregate value of secured loans	**286,999.42**	259,445.30
Aggregate value of unsecured loans	**9,516.36**	23,833.23

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

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

(Amount in INR lakh, unless otherwise stated)

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.

a) Foreign currency loan taken from Standard Chartered bank of USD 64.70 lakh (outstanding as on March 31, 2020: USD 38.06 lakh, March 31, 2019: 53.28 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, 2020: USD 47.75 lakh, March 31, 2019: USD 79.58 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, 2020: USD 52.50 lakh, March 31, 2019: USD 87.50 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, 2020: USD Nil lakh, March 31, 2019: USD 14.50 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

(c) Foreign currency loan taken from Standard Chartered bank of Euro 100 lakh (outstanding as on March 31, 2020: EUR 100 lakh, March 31, 2019: Nil) taken on July 15, 2019, carrying interest @ EURIBOR plus 1.25% as per the terms of loan agreement. The loan is repayable in 17 quarterly instalments of EUR 5.88 lakh each, commencing from July 15, 2020.

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.

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

(Amount in INR lakh, unless otherwise stated)

(iii) Plot no. 339, Kolhar Industrial Area , Kamthana Bidar , Karnataka.

(iv) Plot no. 31 to 37, Kanera Road, Gram – Accholi (Urla), Raipur (Chhattisgarh)

First and exclusive charge of all movable fixed assets 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.

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

(iv) Plot no. 339, Kolhar Industrial Area , Kamthana Bidar , Karnataka.

(v) Plot no. 31 to 37, Kanera Road, Gram – Accholi (Urla), Raipur (Chhattisgarh)

Indian rupee term loan

a). Indian Rupee loan from State Bank of India of INR 10,000.00 lakh (outstanding as on March 31, 2020: INR Nil lakh, March 31, 2019: INR 1,999.68 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) (i) Indian Rupee loan from State Bank of India of INR 2,500.00 lakh (outstanding as on March 31, 2020: INR 459.12 lakh, March 31, 2019: INR 959.12 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).

b) (ii) Indian Rupee loan from State Bank of India of INR 1,164.86 lakh (outstanding as on March 31, 2020: INR 1,164.86 lakh, March 31, 2019: INR Nil 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, 2020: INR 3,760.68 lakh, March 31, 2019: 16,666.67), 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 current assets and movable fixed assets (both present and future) of the Company except assets of Soda ash plant.

d) Indian Rupee loan from Bank of Baroda of INR 10,000.00 lakh (outstanding as on March 31, 2020: INR 8,460.90 lakh, March 31, 2019: Nil), carries interest @ 1 year MCLR + 0.55% and Strategic Premium 0.25%. The loan is repayable in 13 quarterly instalments of INR 769.23 lakh each, commencing from December 29, 2020. 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.

e) Indian Rupee loan outstanding as on March 31, 2020: INR 222,024.18 lakh (March 31, 2019: INR 199,158.75 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, 2020, interest rate ranged between 8.70% to 9.20%. 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;

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

(Amount in INR lakh, unless otherwise stated)

f) Indian Rupee loan Sanctioned of INR 1,200.00 lakh and draw down of INR 849.92 lakh (outstanding as on March 31, 2020: INR 711.65 lakh), 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, 2020, interest rate ranged between 9.20% 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 and Working capital demand loan

The Company has availed cash credit facility, working capital demand and short term loan facility from various banks of INR 34,875.35 lakh (March 31, 2019: INR 14,035.31 lakh) and they carry interest rate ranging from 7.25% p.a to 8.75% 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 28.05 lakh (March 31, 2019: INR 2,546.90 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- UTI Credit risk fund (UTI - Income Opportunity Fund - Direct Plan - Growth) Units - 34.41 lakh.

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

3- Kotak FMP Series 239 Direct Growth- Unts- 50.00 lakh.

4. UTI Fixed Term Income Fund Series XXVI - V (1160 Days)-Direct Growth Plan- Units- 50.00 lakh.

The overdraft facilities from SBI Bank are secured by pledge of investments SBI Short Term Debt Fund - Direct Plan 59.16 lakh 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, 2020 was INR Nil (March 31, 2019 : Rs. 682.30 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 amounting to INR 4,361.88 lakh as on March 31, 2020 (March 31, 2019: INR 2,194.15 lakh) bearing interest rate of 7.5% p.a. (March 31, 2019: 7.50% 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 0.26 lakh as on March 31, 2020 (March 31, 2019: INR 1,575.05 lakh).

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 2020 is INR 4,984.92 lakh (March 31, 2019 19,796.23 lakh), bearing interest rate of 7.00% p.a. respectively. The commercial papers are repayable by April 16, 2020.

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

(Amount in INR lakh, unless otherwise stated)

17. Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Non - current		
Provision for employee benefits		
Provision for gratuity (refer note 33)	**2,666.64**	2,159.77
Provision for leave benefits	**670.37**	713.34
Total	**3,337.01**	**2,873.11**
Current		
Provision for employee benefits		
Provision for gratuity (refer note 33)	**1.14**	0.75
Provision for leave benefits	**372.09**	313.22
Other provisions		
Provision for contingencies**(refer note-44)	**73.92**	73.92
Total	**447.15**	**387.89**

****Movement in provisions**

Particulars	Provision for contingencies	Provision for wealth tax
At April 01, 2018	**44.35**	**8.50**
Movement during the year	**29.57**	(8.50)
At March 31, 2019	**73.92**	**-**
Movement during the year	**-**	-
At March 31, 2020	**73.92**	**-**

18. Income Tax

The Deferred Tax as reported in Balance Sheet as at March 31, 2020 and March 31, 2019 are:

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liabilities (net)	**1,335.35**	11,630.78
Deferred Tax Assets (net)	**15.68**	5.42
Total	**1,319.67**	**11,625.36**

Statement of profit and loss:

Profit or loss section

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax	**3,266.56**	8,784.64
Adjustment of tax related to earlier periods	**173.79**	(7.96)
Deferred tax	**(10,308.85)**	3,808.61
Income tax expense reported in the statement of profit or loss	**(6,868.50)**	**12,585.29**

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

(Amount in INR lakh, unless otherwise stated)

OCI section

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Deferred tax related to items recognised in OCI during in the year:		
Net (gain) / loss on remeasurements of defined benefit plans	**2.22**	50.72
Income tax charged to OCI	**2.22**	**50.72**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

Particulars	March 31, 2020	March 31, 2019
Accounting profit before income tax	**17,161.17**	38,783.40
At statutory income tax rate	**5,967.34**	13,410.24
Adjustments:		
Permanent difference on account of following:		
Expenses not allowed under Income tax act	**707.44**	369.18
Income not taxable under Income tax act	**(5.50)**	(2.62)
Effect of reduced tax rates*	**(13,212.25)**	-
Effect of higher tax rate	**-**	(7.50)
Tax incentives given under Income tax act	**(202.68)**	(1,472.69)
Others	**(122.85)**	288.68
At the effective income tax rate of (40.02%) (March 31, 2019: 32.45%)	**(6,868.50)**	**12,585.29**
Income tax expense reported in the statement of profit and loss	**(6,868.50)**	**12,585.29**

Deferred tax:

Particulars	Balance Sheet	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Deferred tax liability on:		
Accelarated depreciation for tax purposes	**(30,686.66)**	(23,732.53)
Subsidy from Government	**(728.79)**	(12.85)
Fair value adjustments of investments	**(123.17)**	(472.68)
	(31,538.62)	(24,218.06)
Deferred tax asset on:		
Post-employment benefits	**1,225.05**	1,016.75
Expenses allowable for tax purposes on payment basis	**1,170.41**	566.39
Right to use assets	**103.22**	-
Provision for doubtful debts and advances	**356.74**	391.00
Unabsorbed Depreciation	**16,648.00**	2,635.99
MAT credit	**10,689.71**	7,929.18
Others	**25.82**	53.39
	30,218.95	12,592.70
Net deferred tax (liabilities)	**(1,319.67)**	**(11,625.36)**

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

(Amount in INR lakh, unless otherwise stated)

Particulars	Statement of profit and loss	
	For the year ended March 31, 2020	**For the year ended March 31, 2019**
Deferred tax relates to the following:		
Accelerated depreciation for tax purposes	**6,942.26**	14,485.54
Post-employment benefits	**(210.52)**	(144.23)
Expenses allowable for tax purposes on payment basis	**(599.86)**	(21.69)
Subsidy from Government	**715.94**	269.82
Fair value adjustments of Investments	**(349.51)**	(193.53)
Right to use assets	**(103.22)**	-
Provision for doubtful debts	**34.26**	(12.65)
MAT credit	**(2,760.53)**	(7,929.18)
Unabsorbed Depreciation	**(14,012.01)**	(2,635.99)
Others	**34.34**	(9.48)
Net deferred tax (reversal) charge	**(10,308.85)**	**3,808.61**

Reflected in the balance sheet as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax assets (net)	**15.68**	**5.42**
Deferred tax liabilities (net)	**(1,335.35)**	**(11,630.78)**

Reconciliation of deferred tax liabilities (net):

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	**(11,625.36)**	**(7,730.68)**
Tax (expense) during the year recognised in profit or loss	10,308.85	(3,808.61)
MAT adjustment	-	(34.12)
Impact of FCTR	**(0.94)**	(1.23)
Tax (expense) during the year recognised in OCI	**(2.22)**	(50.72)
Closing balance	**(1,319.67)**	**(11,625.36)**

*As per tax ordinance dated September 20, 2019, a new tax provision has been introduced whereby a company can claim the benefits of reduced tax rates, provided it forgoes available incentives/exemptions under Income Tax Act, 1961. As per Company's projections and current incentives/exemptions, the Company has decided not to opt for the same considering the value of incentives/exemptions under Income tax Act is greater than the benefit by opting the reduced tax rates as at March 31, 2020, Consequentially, necessary adjustments has been done in recording of deferred tax liabilities. The Company will reassess the option to adopt the new tax provision every year, and adjustments, if any, will be considered in due course.

The Subsidiary company (RSPL Health Private Limited) has decided to exercise the option permitted under section 115BAA of the income tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019. Accordingly, it has recognised provision for income tax and remeasured its deferred tax assets/liabilities basis the rate prescribed in the said section and has taken the full effect to Statement of profit and loss for the year ended March 31, 2020.

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

(Amount in INR lakh, unless otherwise stated)

19. Other liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Deferred subsidy related to government grant**	**26,137.05**	26,902.48
Others	**943.12**	916.79
Total	**27,080.17**	**27,819.27**
Current		
Advance from dealers (Contract liabilities)*	**25,315.25**	9,861.74
Deferred subsidy related to government grant**	**2,048.82**	3,332.21
Statutory liabilities	**2,442.36**	4,407.39
Total	**29,806.43**	**17,601.34**

* Represents non-interest bearing advances received from customers.

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	**30,234.69**	**42,392.39**
Sanctioned during the year	**-**	-
Remaining eligibility	**-**	-
Released to the statement of profit and loss	**2,048.82**	1,420.38
Adjustment on account of re-assessment	**-**	10,737.32
Closing balance	**28,185.87**	**30,234.69**
Current	**2,048.82**	3,332.21
Non-current	**26,137.05**	26,902.48

20. Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro enterprises and small enterprises	**1,183.97**	2,700.94
Total outstanding dues of creditors other than micro enterprises and small enterprises	**46,230.94**	39,191.50
Total	**47,414.91**	**41,892.44**

Note: Refer note 42 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 36 (C).

For explanations on the Group's credit risk management processes, refer to note 40.

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

(Amount in INR lakh, unless otherwise stated)

21. Other financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Current maturity of long-term borrowings (refer note 16)	**23,273.22**	13,910.22
Payables on purchase of fixed assets	**20,762.17**	32,349.32
Security deposit received	**2.00**	2.00
Interest accrued but not due on borrowings	**2,711.78**	2,037.20
Employee benefit payable	**3,422.90**	4,786.91
Books overdraft	**-**	12.27
Total	**50,172.07**	**53,097.92**

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 40.

22(a). Current tax liabilities (net)

Particulars	As at March 31, 2020	As at March 31, 2019
Current income tax liabilities (net of advances)	**43.49**	1,195.26
Total	**43.49**	**1,195.26**

22(b). Income tax assets (net)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance tax (net of provision for taxation)	**4,844.99**	3,400.83
Total	**4,844.99**	**3,400.83**

23. Revenue from operations

(a). Revenue from Contracts with customers

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from Contracts with Customers		
Finished goods*	**448,325.06**	460,244.21
- outside India		
Total Revenue	**448,325.06**	**460,244.21**

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

(Amount in INR lakh, unless otherwise stated)

(b). Other operating revenue

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Other operating revenue		
Sale of raw material / by-products	**2,547.76**	2,680.65
Sale of power	**3,622.21**	3,655.70
Sale of others	**1,559.59**	1,510.39
Total Other operating revenue	**7,729.56**	**7,846.74**
Total Revenue from Operations (a+b)	**456,054.62**	**468,090.95**

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, 2020	For the year ended March 31, 2019
Revenue by Geography:		
Domestic	**433,252.53**	451,462.14
Overseas	**22,802.09**	16,628.81
Total revenue from contract with customers	**456,054.62**	**468,090.95**
Timing of revenue recognition		
At a point in time	**456,054.62**	468,090.95
Total revenue from contract with customers	**456,054.62**	**468,090.95**
Revenue		
External Customer	**456,054.62**	468,090.95
Inter-segment revenue	**-**	-
Inter-segment adjustments/eliminations	**-**	-
Total revenue from contract with customers	**456,054.62**	**468,090.95**

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

(Amount in INR lakh, unless otherwise stated)

24. Other income

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest income on financial assets carried at amortised cost:		
Bank deposits	**471.40**	55.64
Others	**30.28**	43.48
	501.68	99.12
Net gain on instruments at fair value through profit and loss		
Fair value gain on investments	**-**	623.47
Profit on sale of investments	**56.54**	106.14
Fair value gain on derivative instruments	**221.67**	668.00
	278.21	1,397.61
Other non-operating income		
Profit on sale of Assets held for sale	**784.72**	-
Government grant	**2,048.82**	1,420.38
Foreign exchange fluctuation (net)	**42.22**	22.69
Liabilities no longer required, written back	**510.11**	929.33
Miscellaneous income	**334.99**	520.98
	3,720.86	2,893.38
Total	**4,500.75**	**4,390.11**

25. Cost of materials consumed

a. Raw material consumed

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventory at the beginning of the year	**36,063.33**	36,651.72
Add: Purchases	**287,389.76**	315,053.27
	323,453.09	351,704.99
Less: Inventory at the end of the year	**(44,614.40)**	(36,063.33)
Net consumption	**278,838.69**	**315,641.66**

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventory at the end of the year		
Finished goods	**13,398.24**	13,853.59
Work in progress*	**20,477.53**	9,335.47
Others	**144.83**	103.37
Inventory at the beginning 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)
Net (increase)/ decrease	**(10,728.17)**	**(4,491.45)**

* Includes INR Nil (March 31, 2019: INR: 67.21) produced from the trial run of Soda ash plant.

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

(Amount in INR lakh, unless otherwise stated)

26. Employee benefits expense

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, wages and bonus etc.	**33,328.11**	31,100.06
Contribution to provident fund and other funds (Note 33)	**1,939.59**	1,938.63
Gratuity expense (Note 33)	**699.75**	584.24
Staff welfare expenses	**844.71**	669.75
Total	**36,812.16**	**34,292.68**

27. Depreciation and amortization expense

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on property, plant and equipment [refer to note 3 (a)]	**21,559.76**	9,566.75
Depreciation on right to use assets (refer note 35)	**942.18**	-
Depreciation on investment property (refer note 4)	**52.78**	51.16
Amortisation on intangible assets (refer to note 5)	**472.37**	267.64
Total	**23,027.09**	**9,885.55**

28. Finance costs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest expense:		
on bank borrowings *	**25,023.00**	7,382.87
to directors and their relatives	**365.19**	223.43
to others	**20.10**	170.34
Interest expense on lease liabilities	**213.60**	-
Other finance charges	**227.86**	212.82
Total	**25,849.75**	**7,989.46**

The above does not include interest on borrowings amounting to INR 3,297.36 lakh (March 31, 2019 INR: 17,070.22 lakh) capitalised as borrowing cost on the qualifying assets. Refer note -45.

* The above amount includes exchange fluctuation loss on Foreign currency loans of INR: 1,166.47 lakh (March 31, 2019: INR: 436.29 lakh).

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

(Amount in INR lakh, unless otherwise stated)

29. Other expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Power and fuel	**21,851.70**	9,438.65
Rent	**652.34**	1,250.87
Rates and taxes	**478.34**	654.86
Insurance	**861.39**	367.37
Repairs and maintenance:		
Plant and machinery	**10,161.29**	8,617.57
Buildings	**869.44**	1,068.86
Others	**339.18**	166.86
CSR expenditure (refer details below)	**1,011.91**	1,018.74
Donations	**48.50**	29.60
Advertisement	**18,273.24**	17,808.36
Sales promotion	**4,159.94**	3,480.17
Contract labour	**7,437.59**	4,981.62
Freight and forwarding charges	**14,296.21**	14,031.09
Travelling and conveyance	**5,257.86**	4,653.64
Postage, telegram and telephone	**528.76**	584.67
Printing and stationery	**108.71**	124.49
Legal & professional fees	**1,475.34**	996.48
Payment to auditor (refer details below)	**192.78**	185.19
Exchange differences (net)	**69.92**	28.19
Balances written off	**23.78**	6.49
Provision for doubtful loans & advances	**37.00**	36.21
Provision for contigencies	**-**	29.57
Royalty	**63.25**	34.80
Loss on sale of fixed assets (net)	**63.51**	69.24
Provision for doubtful receivables	**14.96**	-
Property, plant and equipment written off	**-**	6.15
Loss on investments	**28.56**	-
Miscellaneous expenses	**1,289.18**	710.02
Total	**89,594.68**	**70,379.76**

Payment to auditors:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
As auditor:		
Audit fee*	**141.19**	127.39
Limited review	**42.00**	40.00
Tax audit	**2.10**	2.10
In other capacity:		
Other Services	**1.00**	3.00
For reimbursement of expenses	**6.49**	12.70
	192.78	185.19

*Fees for year ended March 31, 2020 includes INR 25.00 lakh of audit fee for the year ended March 31, 2019. Fees for year ended March 31, 2019 includes INR 10.00 lakh of audit fee for the year ended March 31, 2018.

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

(Amount in INR lakh, unless otherwise stated)

Details of CSR expenditure:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Gross amount required to be spent by the Group during the year	**818.00**	940.40
Particulars	**In Cash**	**In Cash**
Amount spent during the year		
(i) Construction/acquisition of asset	**-**	107.68
(ii) on purposes other than (i) above (refer note 36B)	**1,011.91**	911.06
(Amount excess spent)/ amount required to be spent	**(193.91)**	**(78.34)**

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, 2020	For the year ended March 31, 2019
Re-measurement (gain) / losses on defined benefit plans	**(5.89)**	(145.01)
Income tax effect on above	**2.22**	50.72
Foreign Currency Translation Reserve loss	**70.57**	44.78
Total	**66.90**	**(49.51)**

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, 2020	For the year ended March 31, 2019
Profit attributable to equity holders of the parent	**24,029.67**	26,198.11
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)	**54.57**	**59.50**
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, 2018	**44,032,500**	**44,032,500**
Issued during the year 2018-19	**-**	-
As at March 31, 2019	**44,032,500**	**44,032,500**
Issued during the year 2019-20	**-**	-
As at March 31, 2020	**44,032,500**	**44,032,500**

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

(Amount in INR lakh, unless otherwise stated)

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.

Determining the lease term of contracts with renewal and termination options – 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 done 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.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Refer to Note 35 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

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.

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.

(Amount in INR lakh, unless otherwise stated)

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 38 and 39 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) Possible effect of Covid-19

As COVID-19 has been declared a global pandemic by the World Health Organization with adverse impact on economy and business especially after nationwide lockdown from the 25th of March 2020. The Group manufactures and supplies essential day-to-day products such as laundry detergents, soaps, dish wash bar, sanitary napkins and other products used for manufacturing of the above. The Group products being an essential commodity, all the more required in maintaining hygiene and cleanliness which is utmost needed during the pandemic, The Company was allowed to operate by the respective administrative authorities mostly in last week of March 2020 itself. Also, as per a prudent estimate, such approvals will be available in the foreseeable future.

Further, the Group has assessed the possible effects that may result from COVID-19 on the carrying amounts of financials assets, inventory, advances, property plant and equipment etc. as well as liabilities accrued. Based on such assessment, the management expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. Further, as on the signing of these financial statement, basis the above facts, the management is confident that there will not be any negative impact of Covid-19 in its business and operations. The impact of COVID-19 may impact the underlying assumptions and estimates used to prepare the Group's financial statements, which may differ from that considered as at the date of approval of these financial statements.

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, 2020**	**For the year ended March 31, 2019**
Provident fund	**1,458.10**	1,362.42
Employee's state insurance	**493.42**	627.26
Amount capitalised	**(11.93)**	(51.05)
Total contribution	**1,939.59**	**1,938.63**

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

(Amount in INR lakh, unless otherwise stated)

Defined Benefit Plans

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, 2020	For the year ended March 31, 2019
Defined benefit obligation at the beginning of the year	**3,466.50**	3,108.34
Service cost*	**568.80**	526.12
Interest cost	**233.00**	211.98
Benefits paid	**(209.20)**	(169.26)
Actuarial (gain) on obligations - OCI	**6.94**	(156.33)
Acquisitions (credit)	**-**	(58.20)
Exchange difference**	**-**	3.85
Defined benefit obligation at the end of the year	**4,066.04**	**3,466.50**

* 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).

Changes in the fair value of plan assets are, as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Fair value of plan assets at the beginning of the year	**1,305.98**	1,373.87
Contribution by employer	**200.00**	-
Benefits paid	**(202.28)**	(168.09)
Interest Income	**93.95**	95.45
Return on Plan Assets excluding Interest Income	**12.83**	4.75
Fair value of plan assets at the end of the year	**1,410.48**	**1,305.98**

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

(Amount in INR lakh, unless otherwise stated)

Reconciliation of fair value of plan assets and defined benefit obligation:

Particulars	March 31, 2020	March 31, 2019
Defined benefit obligation	**4,066.04**	3,466.50
Fair value of plan assets	**(1,410.48)**	(1,305.98)
Amount recognised in the balance sheet	**2,655.56**	**2,160.52**

Amount recognised in statement of profit and loss:

Particulars	March 31, 2020	March 31, 2019
Current service cost	**568.80**	526.12
Net interest expense	**139.05**	116.53
Amount capitalised	**(8.10)**	(58.41)
Amount recognised in Statement of Profit and Loss	**699.75**	**584.24**

Amount recognised in other comprehensive income:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Actuarial (gain) on obligation	**6.94**	(156.33)
Return on plan asset excluding interest income	**(12.83)**	(4.75)
Amount capitalised	**-**	16.07
Amount recognised in other comprehensive income	**(5.89)**	**(145.01)**

The major categories of plan assets for gratuity plan are as follows:

Particulars	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017
Investment Details	**Funded**	Funded	**Funded**	Funded
Investment with Insurer (State bank of India)	**100%**	100%	**100%**	100%

The principal assumptions used in determining gratuity liability for the Group's plans are shown below:

Particulars	March 31, 2020	March 31, 2019
Discount rate	**6.40%**	**7.20%**
Future salary increases	**5.00% p.a. for workers 7.5% p.a. for staff**	5.00% p.a. for workers 7.50% p.a. for staff
Mortality rate	**IALM (2006-08)**	IALM (2006-08)

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

(Amount in INR lakh, unless otherwise stated)

A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is as shown below:

Gratuity Plan	Sensitivity level		Impact on DBO	
Particulars	**March 31, 2020**	**March 31, 2019**	**March 31, 2020**	**March 31, 2019**
Assumptions				
Discount rate	**0.50%**	0.50%	**(112.41)**	(94.23)
	-0.50%	-0.50%	**119.24**	99.78
Future salary increases	**0.50%**	0.50%	**116.26**	98.48
	-0.50%	-0.50%	**(110.80)**	(94.00)
Attrition rate	**0.50%**	0.50%	**(8.99)**	(3.22)
	-0.50%	-0.50%	**9.21**	3.10

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, 2020	March 31, 2019
Within the next 12 months (next annual reporting period)	**633.79**	500.36
Between 2 and 5 years	**2,430.39**	2,220.53
Between 5 and 10 years	**3,808.62**	3,601.97
Total expected payments	**6,872.80**	**6,322.86**

34. Commitments and Contingencies

A. Commitments

Particulars	As at March 31, 2020	As at March 31, 2019
Estimated value of contracts in capital account remaining to executed (net of advance)	**9,190.76**	38,948.17
Total	**9,190.76**	**38,948.17**

B. Contingent liabilities

Claims against the Group not acknowledged as debts*:

Particulars	As at March 31, 2020	As at March 31, 2019
Sales tax matters	**664.93**	345.28
Excise duty and service tax matters	**247.64**	287.51

* 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.

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.

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

(Amount in INR lakh, unless otherwise stated)

35. Leases

Group as a Lessee

The Group has lease contracts for various lands, premises used for operating plants, sales depots, Guest houses in its operations. Leases of land for operating Plants generally have lease terms between 10 and 99 years, while Leases of premises for operating Sales Depots and guest houses generally have lease terms between 1 and 9 years. The company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the company is restricted from assigning and subleasing the leased assets.

The Group also has certain leases of premises, vehicles etc. with lease terms of 12 months or less. The Company has decided to avail the exemption to the 'short-term lease' to recognise such expense within one year without recognising the ROU asset/ lease liability.

The Group has elected to apply this Standard using the modified retrospective method with Right-of-Use assets being recognised at an amount equal to lease liability, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted.

The Company has entered into commercial leases on certain immovable property. These leases have life period of three years. The Company has paid INR 0.36 lakh (March 31, 2019: INR 0.36 lakh) during the year towards lease payment.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Land	Premises	Total
As at April 01, 2019	3,163.53	1,835.34	4,998.87
Additions	-	1,577.71	1,577.71
Reversal/ Termination	-	(43.91)	(43.91)
FCTR	-	(2.18)	(2.18)
Depreciation expense	(92.53)	(849.65)	(942.18)
As at March 31, 2020	**3,071.00**	**2,517.31**	**5,588.31**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	As at March 31, 2020
As at April 01, 2019	2,352.02
Additions	1,577.71
Accretion of interest	213.60
Reversal	(44.19)
FCTR	0.27
Payments	(960.39)
As at March 31, 2020	**3,139.02**
Current	898.02
Non-current	2,241.00

The maturity analysis of lease liabilities are disclosed in Note 40.

The effective interest rate for lease liabilities is 8.07%, with maturity between 2021-2099

The following are the amounts recognised in profit or loss:

Particulars	For the year ended March 31, 2020
Depreciation expense of right-of-use assets	942.18
Interest expense on lease liabilities	213.60
Expense relating to short-term leases	655.34
Expense relating to leases of low-value assets	-
Total amount recognised in profit or loss	1,811.12

The Group had total cash outflows for leases of INR 1,615.72 Lacs in 31 March 2020.

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

(Amount in INR lakh, unless otherwise stated)

The Group has only those lease contracts in which it will pay fixed amount during the tenure of lease. Lease payment will increase after a fixed period with a fixed percentage which in mentioned in contract. The Group does not have any contract that contains variable payments

Lease contracts entered in to by the Group do not have extension or termination option exercisable at the discretion of the Group although there are several contracts where the extension and termination can be exercised on mutual consent.

Group as a lessor

The Group has entered into operating leases on its investment property portfolio consisting of commercial lands and manufacturing buildings (see note 4). These leases have terms of between 3 and 20 years. Rental income recognised by the Group during the year is INR 49.27 lakh (March 31, 2019: INR 46.31 lakh).

The Group has entered into commercial leases on certain immovable property. These leases have life period of seven years. The Group has received INR 3.00 lakh (March 31. 2019: INR 3.00 lakh) during the year towards lease payment.

36. 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	Whole Time Director
Mr. Sushil Kumar Bajpai	Company Secretary and Chief Financial Officer

Others (Non-Executive)

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 having transactions with:

Rene Solutions

Reva Consultants LLP

Rudraaksh Consignors Pvt Ltd

Rudraansh Holdings LLP

Leayan Global Private Limited

Contluxi International 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, 2020

(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, 2020	For the year ended March 31, 2019
Sale of Goods	Leayan Global Private Limited	**1.66**	1.78
Sale of Goods	Laxmi Devi Dayal Das Charitable Trust	**-**	-
Sale of Goods	NIF Private Limited	**11.27**	56.38
Sale of Services	Leayan Global Private Limited	**3.77**	-
Sale of Services	NIF Private Limited	**35.08**	-
Sale of Consumables	Contluxi International Private Limited	**7.04**	
Sale of Fixed Asset	NIF Private Limited	**2.13**	16.21
Sale of Fixed Asset	Leayan Global Private Limited	**1.73**	19.46
Sale of Fixed Asset	Contluxi International Private Limited	**207.15**	-
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	**87.23**	73.89
Reimbursement of Common cost allocation expenses	Leayan Global Private Limited	**21.81**	20.08
Reimbursement of SAP Maintenance expenses	Leayan Global Private Limited	**44.00**	60.81
Reimbursement of SAP Maintenance expenses	NIF Private Limited	**118.53**	92.50
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	**23.54**	25.48
Purchase of Goods	Leayan Global Private Limited	**2.33**	4.00
Purchase of Property, Plant and equipment	Leayan Global Private Limited	**5.82**	5.00
Purchase of Property, Plant and equipment	NIF Private Limited	**7.22**	-
Purchase of Consumables	NIF Private Limited	**7.16**	-
Rent Received	Leayan Global Private Limited	**35.20**	36.20
Rent Received	NIF Private Limited	**15.30**	8.40
Rent Received	Laxmi Devi Dayal Das Charitable Trust	**0.60**	0.60
Rent Paid	Mr. Murli Dhar	**9.60**	9.15
Rent Paid	Mr. Bimal Kumar	**28.80**	25.35
Rent Paid	Mr. Manoj Kumar	**20.40**	20.40

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

(Amount in INR lakh, unless otherwise stated)

Nature of transactions	Name of related party	For the year ended March 31, 2020	For the year ended March 31, 2019
Rent Paid	Mr. Rohit Gyanchandani	**17.70**	14.70
Rent Paid	Mr. Rahul Gyanchandani	**11.70**	11.70
Rent Paid	Mrs. Seema Gyanchandani	**14.40**	14.40
Rent Paid	Serene Finmart Private Limited	**126.00**	84.00
Donation/CSR expenses paid	Laxmi Devi Dayal Das Charitable Trust	**132.30**	141.50
Donation/CSR expenses paid	RSPL Welfare Foundation	**840.00**	765.00
Commission C&F paid	Rene Solutions	**99.88**	109.03
Commission C&F paid	Rudraaksh Consignors Pvt Ltd	**18.00**	20.30
Incentive expense	Reva Consultants LLP	**45.98**	70.09
Incentive expense	Rudraansh Holding LLP	**18.82**	-
ISR Salary	Rudraansh Holding LLP	**528.51**	895.87
Redistribution Expense	Rudraansh Holding LLP	**-**	37.57
Sales Promotion expenses paid	Rene Solutions	**192.35**	189.35
Reimbursement of travelling expenses	Rene Solutions	**-**	-
Reimbursement of expenses	Leayan Global Private Limited	**-**	-
Reimbursement of expenses	NIF Private Limited	**-**	-
Payment received on behalf of	Contluxi International Private Limited	**0.73**	-
Payment received on behalf of	NIF Private Limited	**2.00**	-
Payment made on belhalf of	NIF Private Limited	**2.02**	18.56
Payment made on belhalf of	Leayan Global Private Limited	**9.07**	1.60
Payment made on belhalf of	Nimmi Buildtech Private Limited	**0.25**	-
Payment made on belhalf of	Contluxi International Private Limited	**0.56**	-
Remuneration paid to key Managerial Personnel and others	Mr. Murli Dhar	**1,080.00**	1,080.00
Remuneration paid to key Managerial Personnel and others	Mr. Bimal Kumar	**1,080.00**	1,080.00
Remuneration paid to key Managerial Personnel and others	Mr. Rahul Gyanchandani	**900.00**	900.00
Remuneration paid to key Managerial Personnel and others	Mr. Manoj Kumar	**900.00**	900.00
Remuneration paid to key Managerial Personnel and others	Mr. Rohit Gyanchandani	**900.00**	900.00
Remuneration paid to key Managerial Personnel and others	Mr. Naresh Kumar Phoolwani	**6.25**	4.61
Remuneration paid to key Managerial Personnel and others	Mr. Sushil Kumar Bajpai	**56.02**	49.38
Remuneration paid to key Managerial Personnel and others	Mrs. Renuka Gulati	**3.00**	3.00

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

(Amount in INR lakh, unless otherwise stated)

Nature of transactions	Name of related party	For the year ended March 31, 2020	For the year ended March 31, 2019
Remuneration paid to key Managerial Personnel and others	Dr. J.N. Gupta	**2.40**	1.80
Remuneration paid to key Managerial Personnel and others	Dr. Rajinder Pal Singh	**2.40**	2.40
Gratutiy leave encashment and assets transferred	RSPL Welfare	**-**	84.62
Commission paid	Mr. Murli Dhar	**206.81**	448.39
Commission paid	Mr. Bimal Kumar	**206.81**	448.39
Commission paid	Mr. Rahul Gyanchandani	**206.81**	448.39
Commission paid	Mr. Manoj Kumar	**206.81**	448.39
Commission paid	Mr. Rohit Gyanchandani	**206.81**	448.39
Dividend Paid	Mr. Murli Dhar	**870.75**	580.50
Dividend Paid	Mr. Bimal Kumar	**825.60**	550.40
Dividend Paid	Mr. Rahul Gyanchandani	**495.38**	330.25
Dividend Paid	Mr. Manoj Kumar	**495.38**	330.25
Dividend Paid	Mr. Rohit Gyanchandani	**495.38**	330.25
Dividend Paid	Mrs. Kamla Devi	**98.89**	65.93
Dividend Paid	Mrs. Rajani Gyanchandani	**21.08**	14.05
Expenses recovered by RSPL Limited	Leayan Global Private Limited	**-**	0.14
Security Paid	Serene Finmart Private Limited	**-**	47.42
Loan Given	Mr. Naresh Kumar Phoolwani	**0.70**	0.60
Loan received back	Mr. Naresh Kumar Phoolwani	**0.65**	0.58
Other Recoverable	NIF Private Limited	**-**	586.71
Loans taken during the year	Mr. Murli Dhar	**5,765.00**	2,940.00
Loans taken during the year	Mr. Bimal Kumar	**4,890.00**	2,270.00
Loans taken during the year	Mr. Rahul Gyanchandani	**5,587.00**	1,370.61
Loans taken during the year	Mr. Manoj Kumar	**3,527.00**	1,087.00
Loans taken during the year	Mr. Rohit Gyanchandani	**2,312.00**	920.00
Loans taken during the year	Mrs. Seema Gyanchandani	**-**	5.50
Interest Paid	Mr. Murli Dhar	**110.71**	85.53
Interest Paid	Mr. Bimal Kumar	**63.62**	45.53
Interest Paid	Mr. Rahul Gyanchandani	**65.09**	27.95
Interest Paid	Mr. Manoj Kumar	**48.88**	30.13
Interest Paid	Mr. Rohit Gyanchandani	**77.01**	32.70
Interest Paid	Mrs. Kamla Devi	**-**	1.12
Interest Paid	Mrs. Seema Gyanchandani	**-**	0.01
Interest Paid	Mrs. Rajani Gyanchandani	**-**	0.31
Loan repayment during the year (including Interest)	Mr. Murli Dhar	**5,109.55**	2,644.62

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

(Amount in INR lakh, unless otherwise stated)

Nature of transactions	Name of related party	For the year ended March 31, 2020	For the year ended March 31, 2019
Loan repayment during the year (including Interest)	Mr. Bimal Kumar	**4,612.40**	2,116.39
Loan repayment during the year (including Interest)	Mr. Rahul Gyanchandani	**4,795.81**	1,514.32
Loan repayment during the year (including Interest)	Mr. Manoj Kumar	**3,672.68**	913.94
Loan repayment during the year (including Interest)	Mr. Rohit Gyanchandani	**2,051.62**	710.65
Loan repayment during the year (including Interest)	Mrs. Kamla Devi	**-**	53.53
Loan repayment during the year (including Interest)	Mrs. Seema Gyanchandani	**-**	5.51
Loan repayment during the year (including Interest)	Mrs. Rajani Gyanchandani	**-**	14.55

Nature of Balance	Name of related party	As at March 31, 2020	As at March 31, 2019
Balance outstanding as at year end:			
Loan receivable	Mr. Naresh Kumar Phoolwani	**1.39**	1.34
Loans Payable	Mr. Murli Dhar	**1,468.21**	713.12
Loans Payable	Mr. Bimal Kumar	**761.83**	426.97
Loans Payable	Mr. Rahul Gyanchandani	**1,148.61**	298.85
Loans Payable	Mr. Manoj Kumar	**217.40**	319.09
Loans Payable	Mr. Rohit Gyanchandani	**935.13**	605.43
Trade Receivables	Leayan Global Private Limited	**1.96**	35.46
Trade Receivables	NIF Private Limited	**12.94**	119.09
Security Receivables	Serene Finmart Private Limited	**42.00**	47.42
Other Recoverable	NIF Private Limited	**302.27**	577.43
Other Recoverable	Leayan Global Private Limited	**138.32**	427.75
Other Recoverable	Laxmi Devi Dayal Das Charitable Trust	**0.18**	-
Other Recoverable	Contluxi International Private Limited	**1.20**	-
Trade Payables	NIF Private Limited	**35.57**	(0.81)
Trade Payables	Rene Solutions	**22.81**	16.20
Trade Payables	Rudraansh Holding LLP	**56.84**	129.95
Trade Payables	Rudraaksh Consignors Pvt ltd	**0.79**	4.30
Trade Payables	Leayan Global Private Limited	**9.32**	5.90

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

(Amount in INR lakh, unless otherwise stated)

Nature of Balance	Name of related party	As at March 31, 2020	As at March 31, 2019
Payable to Key Management Personnel and others	Mr. Murli Dhar	**117.27**	344.07
Payable to Key Management Personnel and others	Mr. Bimal Kumar	**118.41**	344.04
Payable to Key Management Personnel and others	Mr. Rahul Gyanchandani	**118.44**	312.86
Payable to Key Management Personnel and others	Mr. Manoj Kumar	**118.39**	305.38
Payable to Key Management Personnel and others	Mr. Rohit Gyanchandani	**118.99**	320.35
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, 2020 was 7.50% (March 31, 2019: 7.50%), which is based on market rate. Any loans received are included in financial instruments on the face of the balance sheet.

E. Compensation of key management personnel of the Group

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Short-term employee benefits	**5,964.12**	7,155.94
Post employment benefits	**-**	-
Other long-term employee benefits	**15.03**	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.

37. 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.

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

(Amount in INR lakh, unless otherwise stated)

For the year ended March 31, 2020

Particulars	FMCG	Power	Unallocated	Total
Revenue				
External customers	**452,432.41**	**3,622.21**	**-**	**456,054.62**
Total revenue	**452,432.41**	**3,622.21**	**-**	**456,054.62**
Segment result before interest and taxes	**41,557.22**	**1,453.70**	**-**	**43,010.92**
Finance cost	**25,849.75**	**-**	**-**	**25,849.75**
Profit before tax	**15,707.47**	**1,453.70**	**-**	**17,161.17**
Adjustments:				
Current tax	**-**	**-**	**(3,266.56)**	**(3,266.56)**
Deferred tax	**-**	**-**	**10,308.85**	**10,308.85**
Tax related to earlier years	**-**	**-**	**(173.79)**	**(173.79)**
Profit after tax	**15,707.47**	**1,453.70**	**6,868.50**	**24,029.67**
Total assets	**669,476.87**	**18,801.47**	**-**	**688,278.34**
Total liabilities	**459,211.33**	**80.05**	**-**	**459,291.38**
Other disclosures				
Depreciation and amortisation	**21,847.47**	**1,179.62**	**-**	**23,027.09**
Capital expenditure	**18,080.76**	**-**	**-**	**18,080.76**

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

Geography-wide disclosure

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	India	Outside India	India	Outside India
Revenue from external customers	433,252.53	22,802.09	451,462.14	16,628.81
Total assets of the Group	679,915.06	8,363.28	643,022.55	5,759.45

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

(Amount in INR lakh, unless otherwise stated)

38. 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, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Financial assets					
I. Classified and measured at fair value through profit and loss :					
Quoted investments	A	**5,532.59**	11,413.71	**5,532.59**	11,413.71
Investment in unquoted equity shares	B	**18.01**	18.01	**18.01**	18.01
Derivative assets	C	**1,225.93**	1,004.25	**1,225.93**	1,004.25
II. Classified and measured at amortised cost:					
Security deposits paid	D	**868.20**	818.30	**868.20**	818.30
Total		**7,644.73**	**13,254.27**	**7,644.73**	**13,254.27**

Financial liabilities					
I. Amortised Cost:					
Borrowings	D	275,369.24	256,091.21	275,369.24	256,091.21
Finance lease obligations	D	-	98.26	-	98.26
Total		**275,369.24**	**256,189.47**	**275,369.24**	**256,189.47**

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, 2020

(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, 2020:

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, 2020	**5,532.59**	**5,532.59**	**-**	**-**
Investment in unquoted equity shares	March 31, 2020	**18.01**	**-**	**-**	**18.01**
Derivative assets	March 31, 2020	**1,225.93**	**-**	**1,225.93**	**-**
Assets measured at amortised cost for which fair values are disclosed (refer note 38):					
Security deposits paid	March 31, 2020	**868.20**	**-**	**868.20**	**-**
Liabilities measured at amortised cost for which fair values are disclosed (refer note 38):					
Borrowings	March 31, 2020	**275,369.24**	**-**	**275,369.24**	**-**
Finance lease obligations	March 31, 2020	**-**	**-**	**-**	**-**

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, 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 38):					
Security deposits paid	March 31, 2019	818.30	-	818.30	-
Liabilities measured at amortised cost for which fair values are disclosed (refer note 38):					
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 I and Level 2 during the year.

(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, 2020 and March 31, 2019:

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.

40. 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, 2020 and March 31, 2019.

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, 2020. 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, 2020 and March 31, 2019.

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, 2020 and March 31, 2019, Group has taken interest rate swap for all of its floating interest rate borrowings.

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

(Amount in INR lakh, unless otherwise stated)

The exposure of the Group's borrowing at floating rate of interest at the end of reporting period:

Particulars	As at March 31, 2020	As at March 31, 2019
Rupee term loan borrowings	236,331.91	219,634.08
USD Commercial Borrowings	10,561.33	16,457.13
EURO Commercial Borrowings	8,476.00	-

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, 2020		
INR Term loan	+200	4,313.07
INR Term loan	-200	(4,313.07)
USD Commercial Borrowings	+200	271.88
USD Commercial Borrowings	-200	(271.88)
EURO Commercial Borrowings	-200	110.07
EURO Commercial Borrowings	-200	(110.07)
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)

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.

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

(Amount in INR lakh, unless otherwise stated)

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, 2020		As at March 31, 2019	
	USD	EUR	USD	EUR
Financial liabilities				
Trade payables	**(175.15)**	**(9.91)**	(78.03)	(4.84)
Capital Creditors	**-**	**(9.09)**	(0.89)	(14.69)
Buyer's credit	**-**	**-**	(22.48)	-
Exposure to foreign currency liabilities	**(175.15)**	**(19.00)**	**(101.40)**	**(19.53)**
Net exposure to foreign currency (liabilities)	**(175.15)**	**(19.00)**	**(101.40)**	**(19.53)**
Net exposure to foreign currency (liabilities) (in INR)	**(13,374.12)**	**(1,610.49)**	**(7,105.10)**	**(1,546.39)**

Particulars	Increase/ decrease in basis points	Effect on profit before tax	
		March 31, 2020	March 31, 2019
USD Sensitivity			
INR/ USD	+500	**(668.71)**	(355.25)
INR/ USD	-500	**668.71**	355.25
EURO Sensitivity			
INR/ EURO	+500	**(80.52)**	(77.32)
INR/ EURO	-500	**80.52**	77.32

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, 2020	As at March 31, 2019
Trade receivables	**3,539.32**	2,200.03
Expected credit loss rate	**1.45%**	1.45%
Expected credit loss	**51.32**	31.90
Specific provision	**44.99**	49.45
Total provision	**96.31**	**81.35**

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

(Amount in INR lakh, unless otherwise stated)

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, 2020 and March 31, 2019 is the carrying amounts as provided in Note 6, 7, 8, 12 (a) and 12 (b).

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.

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, 2020					
Borrowings	44,419.49	0.26	100,544.43	151,551.60	296,515.78
Trade payables	-	47,414.91	-	-	47,414.91
Other financial liabilities	1,033.91	49,138.16	-	-	50,172.07
	45,453.40	**96,553.33**	**100,544.43**	**151,551.60**	**394,102.76**
March 31, 2019					
Borrowings	40,316.92	688.55	23,001.19	219,271.87	283,278.53
Trade payables	-	41,892.44	-	-	41,892.44
Other financial liabilities	746.93	52,350.99	-	-	53,097.92
	41,063.85	**94,931.98**	**23,001.19**	**219,271.87**	**378,268.89**

41. 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, 2020	As at March 31, 2019
Borrowings (refer to note 16)	**296,515.78**	283,278.53
Current maturities of long term loan, interest accrued on borrowings and book overdraft (refer note 21)	**25,985.00**	15,959.69
Less: Cash and cash equivalents [refer to note 12 (a)]	**(12,460.68)**	(9,914.17)
Net debts (A)	**310,040.10**	**289,324.05**
Equity (B)	**228,986.96**	**209,005.46**
Net Gearing (A/B)	**135.40%**	**138.43%**

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, 2020

(Amount in INR lakh, unless otherwise stated)

42. 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, 2020	As at March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	**1,183.97**	2,700.94
- Interest due on above	**3.40**	36.93
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	**3.40**	36.93
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.	**3.40**	36.93

43. 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, 2020	2.25%	5,140.96	4.43%	1,064.27	-2%	(1.27)	4%	1,063.00
Balance as at March 31, 2019	1.95%	4,077.96	3.05%	799.52	1%	(0.54)	3%	798.98
Step Subsidiary								
RSPL Health BD Limited								
Balance as at March 31, 2020	0.67%	1,524.44	2.82%	678.41	133%	(88.96)	2.46%	589.45
Balance as at March 31, 2019	0.45%	934.99	0.71%	186.05	-118%	(58.47)	0.49%	127.58

44. 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 in previous years 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, 2020

(Amount in INR lakh, unless otherwise stated)

45. 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, 2020	For the year ended March 31, 2019
Amount carried forward from previous financial year	**12,291.56**	25,631.55
Employee benefits expenses	**457.33**	2,006.07
Power & fuel	**1,218.35**	4,580.34
Legal and professional	**-**	266.41
Maintenance expenses	**-**	177.79
Rent	**-**	431.90
Travelling and conveyance	**-**	162.47
Insurance	**-**	389.18
Miscellaneous expenses	**-**	669.50
Finance costs	**3,297.36**	17,070.22
Goods transferred	**(5,698.52)**	(4,229.81)
Cost of Material Consumed	**2,314.84**	2,665.05
Miscellaneous income	**(612.37)**	(210.46)
Amount capitalised in Property, plant and equipment	**(10,450.37)**	(37,318.65)
Total	**2,818.18**	**12,291.56**

46. 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

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

Place: Gurugram
Date: June 24, 2020

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: June 24, 2020

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