



# ROYAL CUSHION VINYL PRODUCTS LIMITED (CIN No. - L24110MH1983PLC031395)

www.rcvp.in

# **BOARD OF DIRECTORS**

Mr. Mahesh. K. Shah Chairman & Managing Director

Mr. Jayesh A Motasha Director
Mrs. Harsha Shah Director
Mrs. Avani Pandit Director

Mrs. Deepti Parekh Company Secretary

**AUDITORS** 

M/s. Bipin & Co.

**Chartered Accountants** 

30,4, Sumangal Chamber, Jamboo Bet Dandia Bazaar, Vadodara – 390 001.

# **REGISTERED OFFICE**

60 CD, Shlok Govt. Indus. Estate Charkop, Kandivali (West),

Mumbai – 400 067 Tel: 022 28063514/16

# FINANCIAL INSTITUTION / BANKS

Axis Bank Ltd

# **WORKS**

Plot no. 55, Village, Garadhia Taluka Savli, Dist. Vadodara

Tel: 02667 - 251674 / 73

Gujarat - 391520

# **REGISTRAR & TRANSFER AGENTS**

M/s Universal Capital Securities Private Limited

Unit: Royal Cushion Vinyl Products Limited

C 101, 247 Park,

LBS Road, Vikhroli West,

Tel: 49186178/79 Fax: 28211996

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## **NOTICE OF ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 37<sup>th</sup>ANNUAL GENERAL MEETING of the Members of ROYAL CUSHION VINYL PRODUCTS LIMITED will be held on Thursday, 30<sup>th</sup> September, 2021 at 12.30 pm IST through Video Conferencing (VC) or other audio visual means (OAVM) to transact the following business: -

## **ORDINARY BUSINESS:**

- To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31<sup>st</sup>, 2021 together with the reports of the Board of Directors and Auditors thereon.
- 2. To appoint a Director in place of Mr. Jayesh Motasha (DIN 00054236) who retires by rotation and being eligible, offers himself for re- appointment.

BY ORDER OF THE BOARD For Royal Cushion Vinyl Products Limited

Deepti Parekh Company Secretary ACS60978

Place: Mumbai

Date: September 03rd, 2021

## **Registered Office:**

Royal Cushion Vinyl Products Limited SHLOK, 60 CD, Govt. Industrial Estate, Charkop, Kandivali (West), Mumbai - 400 067 CIN No. – L24110MH1983PLC031395

Website: www.rcvp.in

#### **IMPORTANT NOTES:**

- General instructions for accessing and participating in the 37th AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting:
  - i. In view of the massive outbreak of the COVID-19 pandemic, social distancing norms to be followed and the restriction imposed on movement / gathering of persons at several places in the country and pursuant to General Circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) from time to time and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 37th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 37th AGM shall be the registered office of the Company situated at Plot No. 60 CD, Shlok, Govt. Industrial Estate, Charkop, Kandivli (West), Mumbai 400 067.
  - ii. In terms of the circulars issued by MCA since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 37<sup>th</sup> AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting and for participation in the 37th AGM through VC/OAVM Facility and e-Voting.
  - iii. The Members can join the AGM in the VC/OAVM mode between 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction of first come first served basis.

- iv. Since the AGM will be held through VC/OAVM Facility, the Route Map of the AGM venue, proxy form and attendance slip are not annexed in this Notice.
- v. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting on the date of the AGM will be provided by NSDL.
- vi. In line with the circulars issued by MCA and SEBI, the Notice of the 37th AGM will be available on the website of the Company at www.rcvp.in and on the website of BSE Limited at www.bseindia.com and on the website of NSDL at <a href="https://www.evoting.nsdl.com">www.evoting.nsdl.com</a>.
- vii. Attendance of the Members participating in the 37th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- viii. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection on the website of the Company by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to <a href="mailto:legalho83@gmail.com">legalho83@gmail.com</a>.
- ix. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with circulars issued by MCA and SEBI in this regard, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 37th AGM and facility for those Members participating in the 37th AGM to cast vote through e-Voting system during the 37th AGM.
- x. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with circulars issued by MCA and SEBI from time to time.
- 2. The Instructions for Members for Remote E-Voting and joining General Meeting are as under:
  - i. The remote e-voting period begins on Monday, 27th September, 2021 at 9.00 a.m. and ends on Wednesday, 29th September, 2021 at 5.00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, 23<sup>rd</sup> September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23<sup>rd</sup> September, 2021.
  - ii. Any person who is not a Member as on the cut-off date should treat this notice for information purpose only. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently
  - iii. How do I vote electronically using NSDL e-Voting System? The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

## STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

i. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

ii. Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- i. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile.
- ii. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- iii. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- iv. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12*********  then your user ID is 12************************************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- v. Password details for shareholders other than Individual shareholders are given below:
  - a. If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
  - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c. How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

- vi. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a. Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
  - b. <u>Physical User Reset Password?</u>" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
  - c. If you are still unable to get the password by aforesaid two options, you can send a request at <a href="evoting@nsdl.co.in">evoting@nsdl.co.in</a> mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDI.
- vii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- viii. Now, you will have to click on "Login" button.
- ix. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- i. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- ii. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
- iii. Now you are ready for e-Voting as the Voting page opens.
- iv. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- v. Upon confirmation, the message "Vote cast successfully" will be displayed.
- vi. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- vii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### 4. General Guidelines for shareholders

- i. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pcscomply@gmail.com with a copy marked to evoting@nsdl.co.in.
- ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- iii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of <a href="www.evoting.nsdl.com">www.evoting.nsdl.com</a> or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Dabke, Manager NSDL, 'A wing', Trade world, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013 or at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a>
- 5. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:
  - In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to legalho83@gmail.com.
  - II. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR

- (self-attested scanned copy of Aadhar Card) to legalho83@gmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1** (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
- III. Alternatively shareholder/members may send a request to <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> for procuring user id and password for evoting by providing above mentioned documents.
- IV. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
- 6. The instructions for members for e-voting on the day of the EGM/AGM are as under: -
  - The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
  - II. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
  - III. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
  - IV. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.
- 7. For members for attending the EGM/AGM through VC/OAVM are as under:
  - i. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
  - ii. Members are encouraged to join the Meeting through Laptops for better experience.
  - iii. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  - iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  - v. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at legalho83@gmail.com. The same will be replied by the company suitably.
- 8. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date of 23<sup>rd</sup> September, 2021.
- 9. Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 37th AGM by email and holds shares as on the cut-off date i.e. 23<sup>rd</sup> September, 2021, may obtain the User ID and password by sending a request to the Company's email address legalho83@gmail.com. However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on <a href="https://www.evoting.nsdl.com">www.evoting.nsdl.com</a>.
- 10. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the AGM.
- 11. Mrs. Padma Loya (Membership No. 25349 COP 14972) of M/s. Loya & Shariff, Practising Company Secretaries have been appointed as the Scrutinizer to scrutinize the remote e-Voting process (including e-Voting at the meeting) in a fair and transparent manner.

- 12. During the 37th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 37th AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 37th AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 37th AGM.
- 13. The Scrutinizer shall after the conclusion of e-Voting at the 37th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the 37th AGM, who shall then countersign and declare the result of the voting forthwith
- 14. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.makerslabs.com and on the website of NSDL at <a href="https://www.rcvp.in">www.rcvp.in</a> immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited (BSE).
- 15. Pursuant to the circulars issued by MCA and SEBI from time to time, in view of the prevailing pandemic situation and owing to the difficulties involved in dispatching of physical copies of the Notice of the 37th AGM and the Annual Report for the financial year 2020-21 including therein, inter-alia, the Audited Standalone and Consolidated Financial Statements for the financial year ended 31st March, 2021, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s and who wish to receive the Notice of the 37th AGM and the Annual Report for the year 2020-21 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:
  - i. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, name, complete address, email address to be registered along with scanned self-attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address <a href="legalho83@gmail.com">legalho83@gmail.com</a>.
  - ii. For the Members holding shares in demat form, please update your email address through yourrespective Depository Participant/s.
- 16. The Notice of the 37th AGM and the Annual Report for the financial year 2020-21 including therein, inter-alia, the Audited Standalone inancial Statements for the financial year ended 31st March, 2021, will be available on the website of the Company at www.rcvp.in and the website of BSE Limited at www.bseindia.com. The Notice of 37th AGM will also be available on the website of NSDL at <a href="https://www.evoting.nsdl.com">www.evoting.nsdl.com</a>.
- 17. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 24<sup>th</sup> September, 2021 to Thursday, 30<sup>th</sup> September, 2021 (both days inclusive) for the purpose of the Annual General Meeting.
- 18. Members are requested to:
  - i. intimate to the Company / their Depository Participant ("DP"), changes, if any, in their registered address at an early date;
  - ii. quote their Registered Folio No. and/or DP Identity and Client Identity number in their correspondence;
  - iii. encash the dividend warrants on their receipt as dividend amounts remaining unclaimed for seven years are required to be transferred to the 'Investor Education and Protection Fund' established by the Central Government under the provisions of the Companies Act, 2013. Pursuant to Section 124(5) of the Companies Act, 2013, all unclaimed dividend declared and paid upto dividend for the financial year 2010-11 have been transferred by the Company to the Investor Education and Protection Fund. Members who have not encashed their dividend warrants for subsequent period are requested to encash the same immediately.

- iv. Pursuant to the provisions of Section 124 (6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has transferred all shares in respect of which dividend has not been encashed by the shareholders for seven consecutive years or more in the name of Investor Education and ProtectionFund (IEPF). The shareholders who wish to claim the said shares from the IEPF may claim the same by filing e-form No. IEPF-5 as prescribed under the said Rules available on iepf.gov.in along with requisite fee as decided by the Authority from time to time. The Member/claimant can file only one consolidated claim in a financial year as per the IEPF Rules and amendments thereto.
- v. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Universal Capital Securities Pvt. Ltd. (Universal Securities) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Universal Securities. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form is, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Universal Capital Securities Pvt. Ltd.
- 19. As per Regulation 40 of SEBI Listing Regulations, as amended from time to time, securities of the listed companies can be transferred only in dematerialized form with effect from 1st April, 2019 except in case of transmission or transposition or for re-lodged transfer requests. Further, SEBI vide its circular dated 02nd December, 2020 had fixed 31st March, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares re-lodged for transfer shall be issued only in demat mode. Therefore, Members holding shares in physical form are requested to consider converting their shareholding to dematerialised form to eliminate all risks associated with physical shares for ease of portfolio management as well as for ease of transfer.

# PROFILE OF DIRECTORS BEING APPOINTED/RE-APPOINTED

Pursuant to regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of Secretarial Standard -2 on General Meeting issued by the Institute of Company Secretaries of India, the particulars of Directors who are proposed to be appointed/reappointed are given below.

Particulars	Mr. Jayesh A. Motasha
DIN	00054236
Date of Birth	09/08/1957
Qualification & Experience	Bcom Graduate from Mumbai University
Expertise in specific functional area	He has a vast and varied experience in all functions of the
	Company including production, financial, commercial and
	allied areas.
Relationship with other Directors, Manager and Key Managerial	
Personnel of the Company	
Directorship held in other companies	He is Director in Royal Spinwell and Developers Private
	Limited (previously known as Royal Spinwell Private
	Limited)
Membership / Chairmanships of Committees of other India	He is a Chairman in Stakeholder Relationship Committee
Companies	and Member in Audit Committee and Nomination and
	Committee Remuneration.
No. of Shares held in the Company as of 31st March, 2021	26800
Date of appointment on the Board	21/11/1983
Number of meetings of the Board attended during the financial	5
year 2020-21	

BY ORDER OF THE BOARD For Royal Cushion Vinyl Products Limited

Deepti Parekh Company Secretary ACS60978

Place: Mumbai

Date: September 03<sup>rd</sup>, 2021

# **Registered Office:**

Royal Cushion Vinyl Products Limited SHLOK, 60 CD, Govt. Industrial Estate, Charkop, Kandivali (West), Mumbai - 400 067

CIN No. - L24110MH1983PLC031395

Website: www.rcvp.in

#### **DIRECTOR'S REPORT**

To

The Members of

**Royal Cushion Vinyl Products Limited,** 

Your Directors have pleasure in presenting the 37th Annual Report together with Audited Financial Statements of the Company for the financial year ended 31st March, 2021.

# 1. FINANCIAL RESULTS

(₹ In Lakhs)

Particulars	Current year	Previous year
	ended 31.03.2021	ended 31.03.2020
Revenue from operations (Net)	6096.64	6248.66
Other Income	1295.80	1012.95
Net Income	7392.44	7261.61
Total Expenditure	6671.95	7372.95
Profit / (loss) before interest and depreciation	720.49	(111.34)
Finance Cost	352.32	384.66
Depreciation	168.02	192.16
Profit/(Loss) before Exceptional item	200.15	(688.16)
Exceptional item	(6.70)	26.84
Profit/(Loss) for the year	193.46	(661.32)

#### 2. PERFORMANCE OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The Company has achieved Net Revenue from operations of ₹ 6096.64 Lakhs as against ₹ 6248.66 Lakhs in the previous year. Net Profit of ₹ 193.46 Lakhs as compared to previous year's Net Loss of ₹ 661.32 Lakhs in the previous year. Other income includes ₹ 335.56 Lakhs received as grant for State Goods & Service Tax and ₹ 896.38 lacs for profit on sales of Fixed assets.

## 3. FINANCIAL STATEMENTS

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

## 4. COVID -19 PANDEMIC

During the financial year 2020-21, the covid-19 continued as a global pandemic, resulting in many governments declaring lockdowns forcing citizens to stay indoors and disruption of economic activities globally.

Covid -19 has made drastic impact throughout the world and has also affected badly to the Company. Due to the Pandemic and the subsequent complete and partial lockdowns, the business of the Company has been affected. The Company has managed to cope with the situation despite the challenges, however the impact assessment of COVID- 19 is a continuous process given the uncertainties associated with its nature and duration.

# 5. TRANSFER TO RESERVES

The Company does not propose to transfer any amount to the general reserve out of the amount available for appropriation.

# 6. DIVIDEND

The Board of Directors is unable to declare any dividend for the year 2020-2021.

## 7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under Listing Agreement and LODR Regulations is disclosed separately in the current Annual Report.

## 8. FIXED DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of provisions of Chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules 2014, as amended from time to time.

#### 9. CORPORATE SOCIAL RESPONSIBILITY

The Companies Act, 2013 mandates that every Company, who meet certain eligibility criteria needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility activities. In view of losses, no amount is required to be spent by the Company.

# 10. ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

Details on conservation of energy, technology absorption, foreign exchange earnings and outgo is given in the Annexure – "A" to this report.

## 11. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of Loans, Guarantees and Investments under Section 186 of the Companies Act, 2015 forms part of notes to financial statements provided in this Annual Report.

#### 12. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of Company's business. The Board has approved a policy for related party transactions which has been uploaded on the website of the Company www.rcvp.in. All the related party transactions are placed before the Audit Committee as well as the Board for approval on a quarterly basis. Omnibus approval was also obtained from the Audit Committee and the Board on an annual basis for repetitive transactions. Resolution of the shareholders is also obtained, wherever necessary, in this regard. Related party transactions are disclosed in the notes to the financial statements. Prescribed 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 is furnished as Annexure – "B" to this report.

## 13. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration and other details as set out in the said rules are provided as an Annexure C in this annual report. The Company had no employee drawing remuneration in excess of the amount as mentioned under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

However, having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information under Explanation (2) to the above Rule is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours excluding Saturdays and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. The full Annual Report including the aforesaid information is available on the Company's website. www.rcvp.in.

# 14. BOARD OF DIRECTORS

Mr. Jayesh Motasha retires as director by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

The Board of Directors comprises of one Executive Director and Three Non-Executive Directors. Mr. Mahesh. K. Shah, Chairman and Managing Director of the Company, Mr. Jayesh Motasha Non Executive Directors and Mrs. Avani Jolly Pandit and Mrs. Harsha Mukesh Shah – Independent Directors.

All Independent Directors have given declarations to the effect that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 read with Regulation 16 of SEBI (Listing obligations and Disclosures Requirements), Regulations 2015 and there has been no change in the circumstances which may affect their status as independent directors during the year.

None of the directors of the Company are debarred from holding the office of Director by virtue of any SEBI order or order by any other competent authority.

In the opinion of the Board, the independent directors possess appropriate balance of skills, experience and knowledge, as required.

A brief note on Director retiring by rotation and eligible for re-appointment is furnished in the Notice of Annual General Meeting.

#### 15. KEY MANAGERIAL PERSONNEL

The Company has Mr. Mahesh K. Shah, Chairman & Managing Director. Mrs. Nivedita Juvatkar Company Secretary and Compliance Officer had resigned on 31/05/2021 and the Company had appointed Mrs. Deepti Parekh as a Company Secretary and Compliance Officer on 14/06/2021.

#### 16. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- I. That in the preparation of the Annual Accounts for the financial year ended 31st March, 2021 the applicable accounting standards/practices had been followed along with proper explanation relating to material departures; if any
- II. That the Directors had 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 loss of the Company for that period;
- III. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. The annual financial statements have been prepared on a going concern basis.
- V. That the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- VI. That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 17. MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF FINANCIAL YEAR

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

# 18. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.

There are no significant or material orders passed by any regulator, tribunal or court that would impact the going concern status of the Company and its future operations.

#### 19. ADOPTION OF INDIAN ACCOUNTING STANDARDS

The Company has complied with all the applicable Secretarial Standards.

## 20. DETAILS OF SUBSIDIARIES/JOINT VENTURE/ASSOCIATE COMPANY

The Company has no subsidiaries/Joint venture/Associate Company incorporated or ceased in the year 2020-21.

#### 21. INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

#### 22. STATUTORY AUDITORS

M/s. Bipin & Co, Chartered Accountants, Vadodara (Firm Registration no. 101509W) were appointed as Auditors of the Company for a term of 5 (five) consecutive years, at the Annual General Meeting (AGM) held on 26th September 2017 till the conclusion of 38th AGM.

#### **Auditors Report:**

The notes on financial statement referred to in the Auditors Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer.

#### 23. PREVENTION OF INSIDER TRADING

The Board at its meeting held on 12th August, 2015 has adopted a revised Code of Prevention of Insider Trading based on the SEBI (Prohibition of Insider Trading) Regulations, 2015. The same has been placed on the website of the Company www.rcvp.in. All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under Report, there has been due compliance with the said code of conduct for prevention of insider trading.

## 24. COST AUDITORS

In terms of the Companies (Cost Records and Audit) Rules, 2014 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company has maintained cost records for financial year 2020-21 in respect of its polymer's products. In terms of the said Rules, the requirement of cost audit is not applicable to the Company for the financial year 2020-21 as the turnover of the Company from these services is below the threshold limit prescribed in the said Rules for cost audit.

## 25. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Board has appointed Mrs. Padma Loya, (Membership no. 25349, Certificate of Practice No. 14972) Practicing Company Secretaries of M/s. Loya and Shariff having Firm no.P2021TL085300 to conduct Secretarial Audit of the Company for the financial year 2020-2021.

The Annual Secretarial Compliance Report for the year ended 31st March, 2021 under Regulation 24A issued by Mrs. Padma Loya, Practicing Company Secretaries of M/s. Loya and Shariff and submitted to BSE Limited.

The Secretarial Audit Report for the financial year 2020-21 is annexed herewith as Annexure "D" which forms part of the Board's report.

# 26. LISTING WITH STOCK EXCHANGE

The Company confirms that it has paid the Annual Listing Fees for the year 2020-2021 to BSE Limited (BSE) where the Company's Shares are listed.

## 27. SHARE CAPITAL

During the financial year there was no change in the Share Capital of the Company.

## 28. EXTRACT OF THE ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Companies Act, 2013 an extract of the Annual Return in Form No. MGT – 9 is annexed herewith as Annexure "E".

#### 29. REMUNERATION POLICY

The Board of Directors has on recommendations of the Nomination & Remuneration Committee outlined policy for selection & appointment of Directors, Key Managerial Personnel & Senior Management and also to decide their remuneration along with the perks. The Nomination & Remuneration Committee revises the remuneration from time to time depending upon the performance of the Company and the Individual Director's / Key Managerial Personnel and other Senior Management Personnel. The detailed policy is available on the website of the Company www.rcvp.in.

## 30. POLICY ON DIRECTOR'S APPOINTMENT, REMUNERATION AND OTHER DETAILS

The Nomination and Remuneration Committee has laid down the criteria for Directors' appointment and remuneration including criteria for determining qualifications, positive attributes and independence of a Director. The following attributes/criteria for selection have been laid by the Board on the recommendation of the Committee:

- I. the candidate should possess the positive attributes such as leadership, entrepreneurship, industrialist, business advisor or such other attributes which in the opinion of the Committee the candidate possess and are in the interest of the Company;
- II. the candidate should be free from any disqualifications as provided under Sections 164 and 167 of the Companies Act, 2013;
- III. the candidate should meet the conditions of being independent as stipulated under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 in case of appointment as an independent director; and
- IV. the candidate should possess appropriate educational qualification, skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, infrastructure, medical, social service, professional teaching or such other areas or disciplines which are relevant for the Company's business.

# 31. BOARD OF DIRECTORS MEETING

This information has been furnished under Report on Corporate Governance, which is annexed.

## 32. COMMITTEES OF THE BOARD

The Board has following Committees formed:

- I. Audit Committee
- II. Nomination & Remuneration Committee
- III. Stakeholders Relationship Committee

The details of the composition of committees, its roles and responsibility along with number of meetings held are given in the Report of Corporate Governance.

### 33. AUDIT COMMITTEE

The Audit Committee of the Board has been constituted as per the Listing Regulations and Section 177 of the Companies Act, 2013. Constitution, meetings, attendance and other details of the Audit Committee are given in corporate governance which forms a part of this Report.

#### 34. VIGIL MECHANISM

The Company has established a vigil mechanism for its Directors and Employees to report genuine concerns relating any violations legal or regulatory requirements or misconduct in the Company through its Whistle Blower Policy. And, to report concerns of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct and ethics policy, incorrect or misrepresentation of any financial statements and reports thereon.

The protected disclosures will be dealt by the Chairperson of the Audit Committee and the Chairperson should address the same carry out the investigation and take needful action.

The policy on Whistle Blower as approved by the Board of Directors is uploaded on company's website i.e. www.rcvp.in.

## 35. RISK MANAGEMENT POLICY

The Company has laid down procedures to inform the members of the Board about the risk assessment and minimization procedures and the same is reviewed by the Board periodically.

#### 36. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has adopted Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the workplace, to provide protection to employees at the workplace. The Company has not received any complaints of sexual harassment during the year.

## 37. CORPORATE GOVERNANCE

As per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with the requirements of Corporate Governance in all material aspects. A report on Corporate Governance (Annexure 1) together with a certificate of its compliance from the Auditors of the Company, forms part of this report.

## 38. CODE OF CONDUCT

The Board has laid down a code of conduct for Board members and senior management personnel of the Company. The code also incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website www.rcvp.in The Board members and senior management personnel have affirmed compliance with the said code of conduct. A declaration signed by the Managing Director is given in this Report.

## 39. PERFORMANCE EVALUATION OF BOARD AND INDEPENDENT DIRECTORS

The Nomination and Remuneration Committee lays down the criteria for performance evaluation of independent directors, Board of Directors and Committees of the Board. The criteria for performance evaluation is based on the various parameters like attendance and participation at meetings of the Board and Committees thereof, contribution to strategic decision making, review of risk assessment and risk mitigation, review of financial statements, business performance and contribution to the enhancement of brand image of the Company.

The Board has carried out evaluation of its own performance as well as that of the Committees of the Board and all the Directors.

# 40. SAFETY, ENVIRONMENT AND HEALTH

The Company considers safety, environment and health as the management responsibility. Regular employee training programs are carried out in the manufacturing facility on safety and environment.

# 41. PROFICIENCY OF DIRECTORS

All the Independent Directors of the Company have registered their names in the database maintained by Indian Institute of Corporate Affairs. Those of the Independent Directors who are not otherwise exempted shall appear for the common proficiency test conducted by the said institute within the prescribed time.

# 42. FAMILIARISATION PROGRAMME FOR DIRECTORS

A well informed familiarized Board member can contribute significantly to effectively discharge its role of trusteeship in a manner that fulfils stakeholders' aspirations and societal expectations. In pursuit of this, the Directors are updated on a continuing basis on changes / developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislations and economic environment, to enable them to take well informed and timely decisions.

#### 43. SECRETARIAL STANDARDS

The Company has complied with all the applicable Secretarial Standards.

# 44. ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation, for the co-operation and support received from Financial Institutions, Banks, Customers and other Government agencies. Your Directors also place on record their appreciation, for the services rendered by Employees during the critical period of the Company.

On Behalf of the Board of Directors For **Royal Cushion Vinyl Products Limited** 

Mahesh Shah Managing Director (DIN 00054351)

Place: Mumbai

Date: 03<sup>rd</sup> September, 2021

# **ANNEXURE: "A"**

# PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUT GO:

## 1. CONSERVATION OF ENERGY:

The steps taken or impact on conservation of energy:

- I. During the year under review all possible efforts were made to ensure optimum conservation of electricity and duel at the manufacturing plants of the Company.
- II. The steps taken by the Company for utilizing alternate sources of energy: Presently None.
- III. The capital investment on energy conservation equipment's:

The Company has not spent any material capital investment on energy conservation equipment's except some investment on energy conservation consumables.

# 2. TECHNOLOGY ABSORPTION,

Research and Development: -

- Specific areas in which R & D work was carried out by the Company:
   R & D was specially carried out in designing & developed in various products.
- II. Benefits derived as a result of the above R& D: The benefits of R&D activities will come in future years.
- III. Future Plans

To develop various new designs vinyl flooring for export market as well as Indian market.

IV. Expenditure incurred on R&D:

Sr.No	Particulars	2020-21 (Rs.lacs)	2019-20 (Rs. Lacs)
a)	Capital	Nil	Nil
b)	Revenue	4.67	7.88
c)	Total	4.67	7.88
d)	R&D expenditure as a percentage of	-	-
	turnover		

#### V. In case of imported technology

The Company has not imported any technology during the last 5 years

# 3. FOREIGN EXCHANGE EARNING AND OUTGO:

(Rs. In Lacs)

Sr. No.	Particulars	Current year ended on 31.03.2021	Current year ended on 31.03.2020
1	Foreign Exchange Earnings	Nil	Nil
2	Foreign Exchange Expenditure	23.38	14.71

# **ANNEXURE: "B"**

#### 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 subsection (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: Not Applicable
- (b) Nature of contracts/arrangements/transactions: Not Applicable
- (c) Duration of the contracts / arrangements/transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable.
- (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
- (f) Date(s) of approval by the Board: Not Applicable
- (g) Amount paid as advances, if any: Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable
- 2. Details of material contracts or arrangement or transactions at arm's length basis:

A) SUBSIDIARY COMPANY	(B)ASSOCIATES CONCERN
a) *Euro royal Floors Ltd.	a) #Natroyal Industries Private Limited
	b)**Sughosh Trading & Consultancy Services LLP
	c)** Trilokatma Trading & Consultancy Services LLP
	d)** Shreedaha Trading & Consultancy Services LLP
	e)**Shreeshaha Trading & Consultancy Services LLP
	f) **Bhaktavatsala Trading & Consultancy Services LLP
	g) **Trilokesh Trading & Consultancy Services LLP
	h) **Lokswami Trading & Consultancy Services LLP
	i) **Sahishnu Trading & Consultancy Services LLP

<sup>#</sup> Material/Goods sold to, Material Purchase from, loan received, lease rent received - Natroyal Industries Private Limited.
\*\* Loan repayable to associate concerns.

<sup>\*</sup>The High Court of Justice of U.K. made a winding -up order dated 11th June, 2001 against Euro royal Floors Ltd (ERF) and the official receiver was appointed to liquidate the assets of ERF. Thereafter order dated 12/03/2002 was passed and ERF is dissolved.

# **ANNEXURE: "C"**

#### **Details of Ratio of Remuneration of Director**

[Section 197(12) read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

# Disclosure under Rule 5(1) of the Companies (Appointment and Remuneration), Rules, 2014

I. The ratio of the remuneration of each director to the median remuneration of the employees of the company and percentage increase in remuneration of Director, CFO and CS for the financial year;

Sr.No	Name	Designation	Remuneration paid for FY 2020-21	Remuneration paid for FY 2019- 20	% increase in remuneration in the FY 2020-21	Ratio/ Times per median of employee remuneration
1.	Mahesh Shah	Chairman &Managing Director	9,28,800	9,28,800	Nil	
2.	Nivedita Juvatkar*	Company Secretary	3,30,351	5,22,496	Nil	

<sup>\*</sup> Nivedita Juvatkar, Company Secretary of the Company has resigned on 31st May, 2021.

II. Percentage increase in median remuneration

Median remuneration of employees in FY	Median remuneration of employees	Percentage increase/(decrease)
2020-21 in Rs.	in F-Y 2019-20 in Rs.	
2,09,352	2,09,352	Nil

- III. No. of permanent employees as on 31.03.2021: 154
- IV. Comparison between average percentile increase in salaries of employees (excluding managerial personnel) and percentile increase in managerial remuneration.

Average percentile increase in	Percentile increase in	Justification
salaries of employees other than	managerial personnel	
managerial personnel in FY 2019-20	remuneration in FY 2020-21	
Nil	Nil	

V. This is to affirm that the above remuneration is paid as per the Remuneration Policy of the Company: - YES

There were no employees who were in receipt of remuneration for which details need to be disclosed under Rule 5(2) and 5(3) of the section 197 of the Companies Act, 2013.

# ANNEXURE D FORM MR-3

## **SECRETARIAL AUDIT REPORT**

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

## FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021

To
The Members of
M/s. ROYAL CUSHION VINYL PRODUCTS LIMITED
CIN NO: L24110MH1983PLC031395
60 CD "Shlok" Government Ind. Estate,
Charkop, Kandivli (West),
Mumbai-400067

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. ROYAL CUSHION VINYL PRODUCTS LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the financial year commencing from 1st April, 2020 and ended 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. ROYAL CUSHION VINYL PRODUCTS LIMITED** ("The Company") for the financial year ended on 31st March, 2021, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment, and External Commercial Borrowings and the provisions thereto have been duly complied with;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- $e.\ The\ Securities\ and\ Exchange\ Board\ of\ India\ (Delisting\ of\ Equity\ Shares)\ Regulations;$
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- h. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- vi. I 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 of the Company has complied with the provisions of all the Acts, Rules, Regulations, Guidelines, Standards, etc. in relation to the industry specific Acts, labor and other applicable laws as provided by the management of the company:
- (a) Payment of Gratuity Act, 1972
- (b) Employees Provident Fund and Miscellaneous provisions Act, 1952
- (c) Employees State Insurance Act 1948
- (d) Maternity Benefit Act, 1961
- (e) Minimum Wages Act, 1948
- (f) Payment of Bonus Act, 1965
- (g) Payment of Wages Act 1936
- (h) Environment (Protection) Act, 1986
- (i) Income-Tax Act 1961
- (j) Information Technology Act, 2000
- (k) Equal Remuneration Act, 1976
- (I) Workmen's Compensation Act, 1923
- (m)The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- (n) Factories Act, 1948
- (o) Industrial Disputes Act, 1947

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India to the extent applicable under the provisions of Companies Act, 2013 and
- ii. The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited.
- iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

During the year, as per Section 203 of the Company that, 2013 and SEBI (LODR), the company has not appointed CFO and they are still in search for appointing new CFO.

## I further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors appointed on Board. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Companies Act, 2013.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation of the meeting.
- (c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company that commensurate with the size and operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no specific events/actions having a major bearing on the Companies affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. as referred to above.

I further report that during the financial year under review, the Company has obtained approval of members under relevant sections of the Companies Act, 2013.

For and on behalf of LOYA & SHARIFF Practicing Company Secretaries

CS PADMA LOYA Proprietor M.No. 25349 COP.14972 UDIN: A025349C000862262

Place: Mumbai Date: 31<sup>st</sup> August, 2021

\*\*This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

## Annexure - A

To
The Members of
M/s. ROAL CUSHION VINYL PRODUCTS LIMITED
CIN NO: L24110MH1983PLC031395
60 CD "Shlok" Government Ind. Estate,
Charkop, Kandivli (West),
Mumbai-400067

My Report of even date is to be read along with this letter:

- 1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to be express an opinion on these secretarial records based on our audit.
- 2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis of my opinion.
- 3. I have not verified the correctness and appropriateness of financial records and books of Accounts of the company.
- 4. Where ever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
- 5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examinations were limited to the verification of procedure on test basis.
- 6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For and on behalf of LOYA & SHARIFF Practicing Company Secretaries

CS PADMA LOYA Proprietor M.No. 25349 COP.14972 UDIN: :A025349C000862262

Place: Mumbai Date: 31<sup>st</sup> August, 2021

# ANNEXURE: "E" EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31stMarch, 2021

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014

## FORM NO. MGT-9

## 1. REGISTRATION AND OTHER DETAILS:

VII.

 I.
 CIN
 :
 L24110MH1983PLC031395

 II.
 Registration Date
 :
 21st November, 1983

III. Name of the Company : Royal Cushion Vinyl Products Limited

IV. Category/ Sub-Category of the Company : Public Company

V. Address of the Registered Office and contact details : 60CD, SHLOK, Government Ind. Estate

Charkop, Kandivali (West), Mumbai- 400 067.

Website:- <u>www.rcvp.in</u> E-mail: <u>legalho83@gmail.com</u>

VI. Whether listed company : Yes, listed on BSE

Name, Address and Contact details of Registrar and

Transfer Agent, if any : M/S Universal Capital Securities Private Limited

Unit: Royal Cushion Vinyl Products Limited

C 101, 247 Park

LBS Road, Vikhroli West, Mumbai – 400083.

Tel Nos.: (022) 49186178/79 Fax No.: (022) 282-7207 Email id: info@unisec.in

# 2. 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.	Name and Description of main products/ services	NIC Code of the	% to total turnover of the	
No.		Product/ service	company	
1.	Manufacture of other Plastic Products (PVC Floor	22209	94.90%	
	Covering)			

# 3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: -

The Company has no subsidiaries/Joint venture/Associate Company incorporated or ceased in the year 2020-21.

# 4. SHAREHOLDING PATTERN (Equity Share Capital; Breakup as percentage of Total Equity

I. Category- wise Share Holding

Royal Cu	Royal Cushion Vinyl Products Limited									
Categ ory code	ory No. of shares held at the beginning of the year No. of shares held at the beginning of the year									
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	402378	0	402378	3.3345	402378	0	402378	3.3345	0.0000
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000

Column   C											
Column   C		Financial Institutions /	0	0	0	0.0000	0	0	0	0.0000	0.0000
Section Component				_							
Deb Trote (ME)	(d)		4427200	562460	4700750	20.05.47	4427200	562460	4700750	20.05.47	0.0000
Individuals   Foreign		· .									
Mindelands / Foreign   O	[2]		4539668	563460	5103128	42.2892	4539668	563460	5103128	42.2892	0.0000
Desire   D	[2]										
(a)   Individuals		· ·	0	0	0	0.0000	0	0	0	0.0000	0.000
(a)   (b)   (c)	(a)		0	· ·	U	0.0000	0	0	U	0.0000	0.0000
		·	0	0	0	0.000	0	0	0	0.0000	0.000
George   Foreign Portfolio Investors   O   O   O   O   O   O   O   O   O											
Mary Other Specify											
Sui Total Shareholding of Front Principle   0   2890000   2380000   238000   238000   238000   238000   238000   238000   2380000   238000   238000   238000   238000   238000   238000   2380000   238000   238000   238000   238000   238000   238000   2380000   238000   238000   238000   238000   238000   238000   2380000   238000   2						0.0000				0.0000	0.0000
Sub frost   Ali	(-)	, , , , , , ,	0	2880000	2880000	23.8663	0	2880000	2880000	23.8663	0.0000
Total Shareholding of   Promoter   4339668   3443460   7983128   66.1555   4339668   3443460   7983128   66.1555   0.0000		·									0.0000
Promoter and Promoter   439968   3444460   7983128   66.1555   4329668   3443460   7983128   66.1555   0.0000											
		Promoter and Promoter	4539668	3443460	7983128	66.1555	4539668	3443460	7983128	66.1555	0.0000
11   Institutions		Group(A)=(A)(1)+(A)(2)									
Discriminate   UTI	(B)	Public Shareholding									
Description	[1]	Institutions									
	(a)	Mutual Funds / UTI	0	5100	5100	0.0423	0	5100	5100	0.0423	0.0000
(d)	(b)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
Investors	(c)	Alternate Investment Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(id)   Investors		Foreign Venture Capital	0		0	0.0000				0.0000	0.0000
Financial Institutions	(d)	Investors	U	U		0.0000				0.0000	0.0000
Banks   079589   1730   683319   3,6460   418100   1730   419830   3,4791   -2,1669	(e)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i) Banks		Financial Institutions /	670500	1720	691210	5 6/160	A19100	1720	A10930	2 //701	-2 1660
Provident Funds / Pension   0	(f)	Banks	0/9589	1/30	001319	3.0400	410100	1/30	413030	5.4/91	-2.1009
Funds	(g)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(ii) Funds (Funds (Fund		Provident Funds/ Pension	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub Total (B(I)   G79589   6830   686419   5.6883   418100   6830   424930   3.5214   2.1669	(h)	Funds	· ·	Ü		0.0000	0	Ü	0	0.0000	0.0000
Central Covernment (s) / President   Government (s) / Government (s)	(i)	Any Other (Specify)									
Government(s) President   Government(s) Pr			679589	6830	686419	5.6883	418100	6830	424930	3.5214	-2.1669
2  of India											
Sub Total (B)(2)		* **									
3	[2]										
(a) Individuals Individuals Individuals Americal (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh.  (b) Individual shareholders holding nominal share capital nexcess of Rs. 1 lakh.  (b) NBFCs registered with RBI			0	0	0	0.0000	0	0	0	0.0000	0.0000
Individual shareholders   holding nominal share   956854   298405   1255259   10.4022   924746   297805   1222551   10.1312   -0.2710											
holding nominal share	(a)										
(i) capital upto Rs. 1 lakh.			050054	202405	4255250	40 4000	00.47.45	207005	4000554	40 4040	0.0740
Individual shareholders   holding nominal share capital in excess of Rs. 1   1402334   10   1402334   11.6210   1651027   0   1651027   13.6819   2.0609   2.00000   2.0000   2.0000   2.0000   2.0000   2.0000   2.0000   2.00000   2.0000   2.0000   2.0000   2.0000   2.0000   2.0000   2.00000   2.0000   2.0000   2.0000   2.0000   2.0000   2.0000   2.00000   2.0000   2.0000   2.000000   2.00000   2.00000   2.00000   2.00000   2.000000   2.0000000000	(:)	_	950854	298405	1255259	10.4022	924746	297805	1222551	10.1312	-0.2710
holding nominal share capital in excess of Rs. 1   1402334   0   1402334   11.6210   1651027   0   1651027   13.6819   2.0609	(1)										
capital in excess of Rs. 1 lakh         1402334         11.0210         1651027         15.0819         20090           (b)         NBFCS registered with RBI         0         0         0         0.0000         0         0         0.0000         0.0000         0         0         0.0000         0.0000         0         0         0.0000         0.0000         0         0         0.0000         0.0000         0         0         0.0000         0.0000         0         0         0.0000         0.0000         0         0         0.0000         0.0000         0         0.0000         0.0000         0         0.0000         0.0000         0         0.0000         0.0000         0         0.0000         0.0000         0         0.0000         0.0000         0         0.0000         0.0000         0         0.0000         0         0.0000         0         0.0000         0         0.0000         0         0.0000         0         0.0000         0         0.0000         0         0.0000         0         0.0000         0         0.0000         0         0.0000         0         0.0000         0         0.0000         0         0.0000         0         0.0000         0         0.0000											
(ii) NBFCs registered with RBI			1402334	0	1402334	11.6210	1651027	0	1651027	13.6819	2.0609
(b) NBFCs registered with RBI	(ii)										
Overseas			0	0	0	0.0000	0	0	0	0.0000	0.0000
Depositories(holding DRs)   O   O   O   O   O   O   O   O   O	(-/			-			_		,		
(d) (balancing figure) (e) Any Other (Specify)			0	0	0	0.0000	0	0	0	0.0000	0.0000
C    Any Other (Specify   Foreign Nationals   134   0   134   0.0011   134   0   134   0.0011   0.0000	(d)			- ]	J		ļ	]	ļ		
Foreign Nationals											
Hindu Undivided Family   248184   0   248184   2.0567   258096   0   258096   2.1388   0.0821			134	0	134	0.0011	134	0	134	0.0011	0.0000
Non Resident Indians (Non Repat)   3750   0   3750   0   3750   0   3150   0   3150   0   0   0   0   0   0   0   0   0			248184	0				0	258096	2.1388	0.0821
Repat   3750		·	2750		2752	0.0344	3450		2450	0.0364	0.0050
Repat   300   1050   1350   0.0112   300   1050   1350   0.0112   0.0000		· ·	3/50	U	3/50	0.0311	3150	U	3150	0.0261	-0.0050
Nepat    Overseas Bodies Corporates   O   43800   43800   0.3630   O   43800   43800   0.3630   0.0000		Non Resident Indians	300	1050	4350	0.0443	300	1050	1350	0.0443	0.0000
Clearing Member   1150   0   1150   0.0095   1000   0   1000   0.0083   -0.0012		(Repat)	300	1050	1350	0.0112	300	1050	1350	0.0112	0.0000
Bodies Corporate   422484   19220   441704   3.6604   458826   19220   478046   3.9615   0.3011		Overseas Bodies Corporates	0	43800	43800	0.3630	0	43800	43800	0.3630	0.0000
Sub Total (B)(3)   3035190   362475   3397665   28.1562   3297279   361875   3659154   30.3231   2.1669		Clearing Member	1150	0	1150	0.0095	1000	0	1000	0.0083	-0.0012
Total Public   Shareholding(B)=(B)(1)+(B)(   3714779   369305   4084084   33.8445   3715379   368705   4084084   33.8445   0.0000		Bodies Corporate	422484	19220	441704	3.6604	458826	19220	478046	3.9615	0.3011
Shareholding(B)=(B)(1)+(B)( 2)+(B)(3)		Sub Total (B)(3)	3035190	362475	3397665	28.1562	3297279	361875	3659154	30.3231	2.1669
2)+(B)(3)											
Total (A)+(B)			3714779	369305	4084084	33.8445	3715379	368705	4084084	33.8445	0.0000
(C) Non Promoter - Non Public		7 1 71 7									
(C1) Shares Underlying DRs  [1] Custodian/DR Holder			8254447	3812765	12067212	100.0000	8255047	3812165	12067212	100.0000	0.0000
[1] Custodian/DR Holder 0 0 0 0 0.0000 0 0 0 0 0.0000 0.00	(C)										
(C2) Shares Held By Employee Trust  Employee Benefit Trust (under SEBI (Share based Employee Benefit) 0 0 0 0.0000 0 0 0 0.00000 0.0000 0.0000 0.0000 0.0000 0.0000 0.0000 0.0000 0.0000 0.0000											
Employee Trust  Employee Benefit Trust (under SEBI (Share based Employee Benefit) 0 0 0 0 0.0000 0 0 0 0 0.0000 0 0.00000 0.0000 0.0000 0.0000 0.0000 0.0000 0.0000 0.0000 0.0000 0.00000 0.0000 0.0000 0.0000 0.0000 0.0000 0.0000 0.0000 0.0000 0.000	[1]	, ,	0	0	0	0.0000	0	0	0	0.0000	0.0000
Employee Benefit Trust (under SEBI (Share based Employee Benefit)   0   0   0   0   0   0   0   0   0		· · ·									
(under SEBI (Share based Employee Benefit)         0         0         0         0.0000         0         0         0         0.0000         0											
Employee Benefit) 0 0 0 0.0000 0 0 0.0000 0.0000 [2] Regulations, 2014)											
Employee Benefit) [2] Regulations, 2014)			0	0	0	0.0000	0	0	0	0.0000	0.0000
	[2]			-							
	[2]		0251117	2042765	42057245	400 0000	0255045	2042465	12057215	100 0000	
		rotal (A)+(B)+(C)	8254447	3812765	12067212	100.0000	8255047	3812165	12067212	100.0000	

# II. Shareholding of Promoters

SI.	Shareholder's Name	Sharehol	ding at the beg	inning of the	Shareholding at the end of the year			
No.			year					
		No. Of	% of total	% of shares	No. Of	% of total	% of shares	% of change
		shares	shares of	pledged	shares	shares of	pledged	in
			the	/encumbere		the	/encumbere	shareholdin
			company	d to total		company	d to total	g during the
				shares			shares	year
4	ANURADHA JAYESH JHAVERI	20000	0.22	0.00	20000	0.23	0.00	0.00
1		28000	0.23	0.00	28000		0.00	0.00
2	ANURADHA ARVIND MOTASHA	1000	0.01	0.00	1000	0.01	0.00	0.00
3	ARVIND VADILAL MOTASHA	16903	0.14	0.00	16903	0.14	0.00	0.00
4	BHAVANA MUKESH MOTASHA	40822	0.34	0.00	40822	0.34	0.00	0.00
5	DEEPAK A MOTASHA	27001	0.22	0.00	27001	0.22	0.00	0.00
6	DIPTI JAYESH MOTASHA	1051	0.01	0.00	1051	0.01	0.00	0.00
7	HANSA ARVIND MOTASHA	27600	0.23	0.00	27600	0.23	0.00	0.00
8	JAYESH A MOTASHA	26800	0.22	0.00	26800	0.22	0.00	0.00
9	JAYSHREE MAHESH SHAH	400	0.00	0.00	400	0.00	0.00	0.00
10	MAHESH KANTILAL SHAH	39450	0.33	0.00	39450	0.33	0.00	0.00
11	MEENA VINOD SHAH	74000	0.61	0.00	74000	0.61	0.00	0.00
12	MUKESH AMRUTLAL MOTASHA	25701	0.21	0.00	25701	0.21	0.00	0.00
13	SUSHILABEN K SHAH	18550	0.15	0.00	18550	0.15	0.00	0.00
14	SUVRAT MAHESH SHAH	13600	0.11	0.00	13600	0.11	0.00	0.00
15	SWETA DEEPAK MOTASHA	300	0.00	0.00	300	0.00	0.00	0.00
16	VARUN JAYESH MOTASHA	19800	0.16	0.00	19800	0.16	0.00	0.00
17	VINOD K SHAH	41400	0.34	0.00	41400	0.34	0.00	0.00
	BHAKTAVATSALA TRADING & CON SER							
18	LLP	1035210	8.58	37.62	1035210	8.58	37.62	0.00
19	LOKSWAMI TRADING & CON SER LLP	403150	3.34	0.00	403150	3.34	0.00	0.00
20	SAHISHNU TRADING & CON SER LLP	709340	5.88	5.83	709340	5.88	5.83	0.00
21	SHREEDAHA TRADING & CON SER LLP	709300	5.88	5.84	709300	5.88	5.84	0.00
22	SUGHOSH TRADING & CON SER LLP	709310	5.88	5.82	709310	5.88	5.82	0.00
23	SUMUKH TRADING & CON SER LLP	44970	0.37	0.00	44970	0.37	0.00	0.00
24	TRILOKATMA TRADING & CON SER LLP	1035210	8.58	4.83	1035210	8.58	4.83	0.00
25	TRILOKESH TRADING & CON SER LLP	45690	0.38	0.00	45690	0.38	0.00	0.00
26	VISHVAMURTI TRADING & CON SER LLP	8570	0.07	0.00	8570	0.07	0.00	0.00
27	LAPADA (MAURITIUS) LIMITED	2880000	23.87	0.00	2880000	23.87	0.00	0.00

# III. Change in Promoter's Shareholding (please specify, if there is no change)- NO CHANGE

	Name of the promoter	Shareholding a	t the beginning of	Cumulative Shareholding during the year		
Sl. No.		the	e year			
		No. of shares	% of total shares	No. of shares	% of total shares of the	
			of the company		company	
1	ANURADHA JAYESH JHAVERI	28000	0.23	28000	0.23	
2	ANURADHA ARVIND MOTASHA	1000	0.01	1000	0.01	
3	ARVIND VADILAL MOTASHA	16903	0.14	16903	0.14	
4	BHAVANA MUKESH MOTASHA	40822	0.34	40822	0.34	
5	DEEPAK MOTASHA	27001	0.22	27001	0.22	
6	DIPTI JAYESH MOTASHA	1051	0.01	1051	0.01	
7	HANSA ARVIND MOTASHA	27600	0.23	27600	0.23	
8	JAYESH A MOTASHA	26800	0.22	26800	0.22	
9	JAYSHREE MAHESH SHAH	400	0.00	400	0.00	
10	MAHESH KANTILAL SHAH	39450	0.33	39450	0.33	
11	MEENA VINOD SHAH	74000	0.61	74000	0.61	
12	MUKESH AMRUTLAL MOTASHA	25701	0.21	25701	0.21	
14	SUSHILABEN K SHAH	18550	0.15	18550	0.15	
15	SUVRAT MAHESH SHAH	13600	0.11	13600	0.11	
16	SWETA DEEPAK MOTASHA	300	0.00	300	0.00	
17	VARUN JAYESH MOTASHA	19800	0.16	19800	0.16	
18	VINOD KANTILAL SHAH	41400	0.34	41400	0.34	
19	BHAKTAVATSALA TRADING & CON SER LLP	1035210	8.58	1035210	8.58	
20	LOKSWAMI TRADING & CON SER LLP	403150	3.34	403150	3.34	
21	SAHISHNU TRADING & CON SER LLP	709340	5.88	709340	5.88	
22	SHREEDAHA TRADING & CON SER LLP	709300	5.88	709300	5.88	
24	SUGHOSH TRADING & CON SER LLP	709310	5.88	709310	5.88	

26	SUMUKH TRADING & CON SER LLP	44970	0.37	44970	0.37
27	TRILOKATMA TRADING & CON SER LLP	1035210	8.58	1035210	8.58
28	TRILOKESH TRADING & CON SER LLP	45690	0.38	45690	0.38
29	VISHVAMURTI TRADING & CON SER LLP	8570	0.07	8570	0.07
30	LAPADA (MAURITIUS) LIMITED	2880000	23.87	2880000	23.87

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

Sr No.		_	t the beginning of ar - 2020	Transactions duri	ng the year	Cumulative Shareholding at the end of the year - 2021		
110.	Name & Type of Transaction	NO.OF	% OF TOTAL	DATE OF	NO. OF	NO OF	% OF TOTAL	
	Name & Type of Transaction	SHARES HELD	SHARES OF THE	TRANSACTION	SHARES	SHARES	SHARES OF THE	
		SHARESTIELD	COMPANY	INANSACTION	SHARES	HELD	COMPANY	
1	KETAN BABULAL SHAH	294316	2.4390			294316	2.4390	
	AT THE END OF THE YEAR	254310	2.4330			294316	2.4390	
2	BJD SECURITIES PVT LTD	250971	2.0798			250971	2.0798	
	Transfer	230371	2.0730	04 Sep 2020	1000	251971	2.0881	
	Transfer			30 Sep 2020	694	252665	2.0938	
	Transfer			31 Dec 2020	(1000)	251665	2.0855	
	Transfer			01 Jan 2021	1000	252665	2.0938	
	Transfer			08 Jan 2021	(1002)	251663	2.0855	
	Transfer			05 Feb 2021	1042	252705	2.0833	
	AT THE END OF THE YEAR			03 1 60 2021	1042	252705	2.0941	
3	SUNIL AMARLAL SHROFF	220145	1.9072			232703	1.9072	
3	AT THE END OF THE YEAR	230145	1.9072		-	230145	1.9072	
4		222600	1 0447			222600	1.8447	
4	BANK OF BARODA	222600	1.8447					
-	AT THE END OF THE YEAR	20257	0.2170			222600	1.8447	
5	BANSURI MRUGANKUMAR MEHTA	38357	0.3179	04.6 2020	25040	38357	0.3179	
	Transfer			04 Sep 2020	36948	75305	0.6240	
	Transfer			11 Sep 2020	75258	150563	1.2477	
	Transfer			18 Sep 2020	10918	161481	1.3382	
	Transfer			25 Sep 2020	2800	164281	1.3614	
	Transfer			27 Nov 2020	500	164781	1.3655	
	Transfer			31 Dec 2020	(500)	164281	1.3614	
	AT THE END OF THE YEAR					164281	1.3614	
6	BHARAT JAMNADAS HUF	147243	1.2202			147243	1.2202	
	Transfer			18 Dec 2020	(500)	146743	1.2160	
	Transfer			25 Dec 2020	(1100)	145643	1.2069	
	Transfer			31 Dec 2020	(500)	145143	1.2028	
	AT THE END OF THE YEAR					145143	1.2028	
7	BHARATI BHARAT DATTANI	97555	0.8084			97555	0.8084	
	Transfer			04 Sep 2020	25000	122555	1.0156	
	Transfer			20 Nov 2020	(100)	122455	1.0148	
	Transfer			27 Nov 2020	(500)	121955	1.0106	
	AT THE END OF THE YEAR					121955	1.0106	
8	UNION BANK OF INDIA	114400	0.9480			114400	0.9480	
	AT THE END OF THE YEAR					114400	0.9480	
9	RAJESHRI K SHAH	110326	0.9143			110326	0.9143	
	AT THE END OF THE YEAR					110326	0.9143	
10	BHARAT JAMNADAS DATTANI	107795	0.8933			107795	0.8933	
	Transfer			27 Nov 2020	(200)	107595	0.8916	
	Transfer			31 Dec 2020	(500)	107095	0.8875	
	AT THE END OF THE YEAR					107095	0.8875	
11	IDBI BANK LTD.	261489	2.1669			261489	2.1669	
	Transfer			30 Jun 2020	(45)	261444	2.1666	
	Transfer			03 Jul 2020	(332)	261112	2.1638	
	Transfer			10 Jul 2020	(1815)	259297	2.1488	
	Transfer			31 Jul 2020	(13)	259284	2.1487	
	Transfer			14 Aug 2020	(105)	259179	2.1478	
	Transfer			21 Aug 2020	(5452)	253727	2.1026	
	Transfer			28 Aug 2020	(1880)	251847	2.0870	
	Transfer			04 Sep 2020	(91429)	160418	1.3294	
	Transfer			11 Sep 2020	(125000)	35418	0.2935	
	Transfer			18 Sep 2020	(35418)	0	0.0000	
	AT THE END OF THE YEAR			·	,	0	0.0000	

V. Shareholding of Directors and Key Managerial Personnel:

	V. Shareholding of Directors and Key M	Cumulative Charabaldina					
Sr. No.	For Each of the Directors and KMP	Category	Shareholding at the year	the beginning of	Cumulative Shareholding during the year		
			,		aumg me yeu		
			N (6)	l o/		o/ fi . 1	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total Shares of	
				of the company		the	
						Company	
1	Mr. Mahesh K. Shah	Chairman &Manag	ing Director		I	company	
	At the beginning of the year		39450	0.32	39450	0.32	
	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)						
	At the End of the year		39450	0.32	39450	0.32	
2	Mr. Jayesh Motasha	Director	33430	0.02	33430	0.52	
	At the beginning of the year		26800	0.22	26800	0.22	
	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)						
	At the End of the year		26800	0.22	26800	0.22	
3	Mrs. Avani Jolly Pandit	Independent Direct	or				
	At the beginning of the year		-	-	-	-	
	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)						
	At the End of the year		-	-	-	-	
4	Mrs. Harsha Mukesh Shah	Independent Direct	or	1	T	ı	
	At the beginning of the year		-	-	-	-	
	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)						
-	At the End of the year		-	-	-	-	
5	Ms. Nivedita Juvatkar*	Company Secretary		I	I	1	
	At the beginning of the year	-	-	-	-	-	
	Date wise Increase/ Decrease in Promoters	-	-	-	-	-	
	Share holding during the year specifying the				1		
	reasons for increase/decrease (e.g. allotment/				1		
	transfer/ bonus/sweat equity etc)						
	At the End of the year	-	-	-	-	-	

 $<sup>^*</sup>$ Ms. Nivedita Juvatkar had resigned from the post of Company Secretary on 31st May, 2021.

5. INDEBTEDNESS Rs. In Lakhs

INDEDIEDINESS			No. III Lakiio		
	Secured Loan excluding deposits	Unsecured Loan	Deposit	Total Indebtedness	
Indebtedness at the beginning of the Financial year					
i) Principal Amount	13,214.39	3,728.74	-	16,943.14	
ii) Interest due but not paid	16,415.07	-	-	16,415.07	
iii) Interest accrued but not due	-	-	-	-	
Total (i+ii+iii)	29,629.46	3,728.74	=	33,358.21	
Change in Indebtness during the financial year					
Addition	89.46	995.65		1,085.11	
Reduction	492.14	581.65		1,073.79	
Net Changes	402.68	414.00	-	11.32	
Indebtedness at the end of the					
financial year					
i) Principal Amount	12,811.70	4,142.73	=	16,954.43	
ii) Interest due but not paid	16,415.07	-	-	16,415.07	
iii) Interest accrued but not due	-	-	-	-	
Total (i+ii+iii)	29,226.77	4,142.73	-	33,369.50	

# 6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr	Particulars of Remuneration	Mr. Mahesh. K. Shah
		Managing Director
1	Gross Salary	
	(a) Salary as per provisions contained in section 17 (1) of the	9,00,000
	Income-tax Act, 1961	
	(b) Value of perquisites u/s. 17 (2) Income-tax Act, 1961	28,800
	(c ) Profits in lieu of Salary under section 17 (3) Income – tax	-
	Act, 1961	
2	Stock Option	-
3	Sweat Equity	-
4	Commission	-
	- as % of profit	
	- Others, specify	
5	Others, please specify	-
	Total (A)	9,28,800
	Ceiling as per the Act	As per Schedule V of Companies Act, 2013

## II. Remuneration to other directors: Nil

# III. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD: -

Particulars of Remuneration	*Ms. Nivedita Juvatkar, Company Secretary
Gross Salary	company contain,
(a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961	3,30,351
(b) Value of perquisites u/s. 17 (2) Income-tax Act, 1961	
(c) Profits in lieu of Salary under section 17 (3) Income – tax Act, 1961	
Stock Option	
Sweat Equity	
Commission	
- as % of profit	
- Others, specify	
Others, please specify	
 Total (A)	3,30,351

<sup>\*</sup>Ms. Nivedita Juvatkar had resigned from the post of Company Secretary on  $31^{\rm st}$  May, 2021

# 7. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

Туре	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		•	<b>-</b>	•	•
Penalty					
Punishment		None			
Compounding					
B. DIRECTORS					
Penalty					
Punishment		None			
Compounding					
C. OTHER OFFICERS	S IN DEFAULT				
Penalty					
Punishment		None			
Compounding					

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### INDUSTRY STRUCTURE AND DEVELOPMENT:

The Company is primarily engaged in manufacturing of PVC products which are widely used for household, offices, shops, health club, Automobiles etc. The Company has developed various new products.

# **OPPORTUNITIES AND THREATS:**

The Company is amongst the market leaders in PVC vinyl flooring segment with introduction of new products, various productivity improvement initiatives and improved manufacturing processes, the performance of the Company will improve in the following years. Further due to reduction in imports from China, Indian products demand will improve.

#### **SEGMENT WISE OR PRODUCT WISE PERFORMANCE:**

The Company engaged only in one segment i.e. PVC products

# OUTLOOK:

With the introduction of high value added products, the Company is optimistic about the growth in the coming years.

#### **RISKS & CONCERNS:**

Due to COVID -19 pandemic and frequent lockdown the demand is yet to pick up. The Company is focusing on shifting the product mix towards the high end product for better realization.

#### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

There are documented and well established operating procedures in the company. The finance function of the company is also adequately staffed with qualified and experienced personnel.

## DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

To achieve its business and financial objectives, the Company focuses on initiatives to drive growth. The Company seeks to capture significant opportunities for growth by identifying and meeting consumer needs within its core categories.

# MATERIAL DEVELOPMENTS IN HUMAN RESOURCE/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.

The Company places special emphasis on the human resources function in the organization and building strong relationship and establishing its brand in the market to attract and retain best talent. The Company consistently engages with employee to receive their feedback through group discussions etc. Based on the feedback, several positive changes are introduced in practice to provide a holistic experience. The total number of employees as on 31st March, 2021 stood at 154.

# **CAUTIONARY STATEMENT:**

The Information and opinions expressed in this Report may contain certain forward-looking statements, which the management believes are true to the best of its knowledge at the time of its preparation. Actual results may differ materially from those either expressed or implied in this Report.

## **REPORT ON CORPORATE GOVERNANCE**

(As required under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Corporate Governance Report for the year under review from 01st April, 2020 to 31st March, 2021

### 1. Brief statement on Company's philosophy on code of Corporate Governance

- That the Board and top management of the Company are fully appraised of the affairs of the Company that is aimed at assisting them in the efficient conduct of the Company's business so as to meet Company's obligations to the stakeholders.
- ii) That the Board exercises its fiduciary responsibilities towards shareholders and creditors as to ensure high accountability.
- iii) That all disclosure of information to present and potential investors are maximized.
- iv) That the decision-making process in the organization is transparent and are backed by documentary evidences.
- v) The Company is in compliance with the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations with regard to Corporate Governance.

## 2. Board of Directors

As on 31<sup>st</sup> March, 2021 the Board comprises **One Executive Director** and **three Non-Executive Directors**. During the year 2020-2021 the Board met 5 times on the following dates, namely, 30<sup>th</sup> July, 2020, 03<sup>rd</sup> September, 2020, 15<sup>th</sup> September, 2020, 11<sup>th</sup> November, 2020 and 12<sup>th</sup> February, 2021.

The attendance of each Director at the Board Meeting & the last AGM was as follows:

Sr.	Name of	Category of	No. of	Attended	No. of	Sitting	No. of	No. of	Inter-se
No.	the Director	Director	Board Meeting attended	Last AGM	Directorships held in other Indian Public Limited Companies#	Fees	Committee Positions held in other Indian Public Limited Companies- Chairman##	Committee Positions held in other Indian Public Limited Companies- Member## n the der Regulation isting	Relationship
1.	Mr. Mahesh K. Shah	Executive	5	Yes		Nil	2015 Nil	Nil	
	K. Snan	Director Promoter							
2.	Mr. Jayesh A. Motasha	Non Executive Director	5	Yes		Nil	Nil	Nil	
3.	Mrs. Harsha Shah	Independent Director	5	Yes					
4.	Mrs. Avani Pandit	Independent Director	5	Yes					

<sup>#</sup> Does not include private companies, foreign companies and companies established under Companies Act, 2013.

<sup>##</sup> For this purpose, only Audit Committee and Stakeholders Relationship Committee are considered in public companies, excluding that of Royal Cushion Vinyl Products Limited.

#### 3. Audit Committee

The Audit Committee comprises 3 Non-Executive Directors. During the year 2020-2021, the Audit Committee held Five meetings 30<sup>th</sup> July, 2020, 03<sup>rd</sup> September, 2020, 15<sup>th</sup> September, 2020, 11<sup>th</sup> November, 2020 and 12<sup>th</sup> February, 2021. The terms of reference of the Audit Committee are stipulated under Listing agreement and LODR Regulations and Section 177 of Companies Act, 2013 includes overseeing financial reporting process reviewing with the management & financial statement.

The Composition and other particulars of the attendance of the members of the committee held during the year are as under:

Sr. No.	Name of the Member	Meeting Attended
1.	Mrs. Avani Pandit– Chairman	5
2.	Mrs. Harsha Shah – Member	5
3.	Mr. Jayesh Motasha - Member	5

# 4. Stakeholder Relationship Committee

As per the guidelines set out in the Listing Agreements with the Bombay Stock Exchanges and to be in compliance with Section 178 of Companies Act, 2013, the Board has constituted Shareholders/Investor Grievances and Share Transfer Committee, comprising three Non- Executive Directors namely Mr. Jayesh Motasha, Mrs. Harsha Shah and Mrs. Avani Pandit duly appointed as an Member.

The terms of reference of the Committee includes inter-alia, approves share transfer, issue of duplicate certificates and oversees and reviews all matters relating to transfer of securities of the Company. The Committee also look into redressal of shareholder's/investors complaints in regard to transfer of shares, non-receipt of Annual Report, dividend etc.

The Committee oversees the performance of the Registrars and Share Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services. The Committee also monitors the implementation and compliance of the Company's Code of Practices and procedures for fair disclosures of unpublished price sensitive information pursuance to Regulation of SEBI (Prohibition of Insider Trading) Regulations, 2015 along with regulations 1992.

The composition of the Stakeholder Relationship Committee is as follows:

**Composition:** The Committee comprises 3 Non-Executive Directors of the Company. During the year it held 3 meetings 30<sup>th</sup> July, 2020, 30<sup>th</sup> November, 2020 and 31<sup>st</sup> March, 2021.

Sr.No.	Name of the Member	Meeting Attended
1.	Mr. Jayesh Motasha – Chairman	3
2.	Mrs. Harsha Shah – Member	3
3.	Mrs. Avani Pandit – Member	3

The total number of complaints received, and replied to the satisfaction of the shareholders, during the year ended 31st March, 2021 was NIL. Outstanding complaints as on 31st March, 2021 were Nil.

The Company has acted upon all valid share transfer requests received during the year 2020- 2021. No request for transfer and dematerialization were pending as on 31st March, 2021.

Number of shareholders complaints received during the year	NIL
Number of Complaints solved to the satisfaction of shareholders during the year	NIL
Number of pending Complaint as on 31.03.2021	NIL
Number of Share Transfer pending for approval as at 31.03.2021	NIL

#### 5. Nomination and Remuneration Committee

The Nomination and Remuneration Committee consist of 3 Non-Executive Directors namely Mrs. Avani Pandit, Mrs. Harsha Shah and Mr. Jayesh Motasha. Broad terms of reference of Nomination and Remuneration committee included recommendation to the Board for salary/ perquisites payable to the Managing Director/ Whole time Directors/ Executive Directors/ Key Managerial Personnel and other top-level management.

**Composition:** The Committee comprises 3 Non-Executive Directors of the Company. During the year there were two (2) meeting conducted i.e., 30<sup>th</sup> July, 2020 and 31<sup>st</sup> March, 2021.

Sr.No.	Name of the Member	Meeting Attended
1.	Mr. Jayesh Motasha – Chairman	2
2.	Mrs. Harsha Shah – Member	2
3.	Mrs. Avani Pandit – Member	2

Details of Remuneration paid for the year 2020-21 are as under:

Sr.No	Name	Salary	Perquisites
1.	Mr. Mahesh K. Shah	9,00,000	28,800
2.	**Ms. Nivedita Juvatkar	3,30,351	0

<sup>\*\*</sup>Ms. Nivedita Juvatkar had resigned as a Company Secretary on 31/05/2021.

The Nomination & Remuneration policy is available on website i.e. www.rcvp.in.

No sitting fees are paid to any of the Directors for attending Board Meetings/ Audit Committee / Stakeholder Relationship Committee and Nomination and Remuneration Committee.

# 6. Risk Management Policy

The Board of Directors has adopted the Risk Management policy for minimisation of various risks to be dealt by the company. The same is disclosed on the company website: - www.rcvp.in

# 7. Code of Conduct

The Company has in place a Code of Conduct framed specifically in compliance with the provisions of Regulation 17 of the Listing Regulations. The matters covered in this code are of utmost importance to the Company, its shareholders, clients and business partners. The purpose of this code is to articulate highest standards of honesty, integrity, ethical and law- abiding behavior. It also aims to encourage the observance of these standards to protect and promote the interest of shareholders, employees, customers, suppliers and creditors. It sets out the responsibility, accountability and report and investigate any reported violations of the Code or unethical or unlawful behavior.

The Code of Conduct applicable to Board members and key employees of the Company has been posted on the Company website. For the year under review, all Board members and senior management personnel of the Company have confirmed their adherence to the provisions of the said Code. A certificate from the Managing Director this effect is attached to this Report. The same has been posted on the website <a href="https://www.rcvp.in">www.rcvp.in</a>.

# 8. Disclosures

#### I. General Body Meetings

The details of the last Three Annual General Meetings of the Company were held as under:

Year	2017-2018	2018-2019	2019-2020
Date	28.09.2018	30.09.2019	30.09.2020
Time	12.30 p.m.	12.30 p.m.	12.30 p.m.

Venue	Company's Registered Office at 60	Company's Registered Office at 60	Through Video Conferencing/Other
	CD, Shlok, Govt. Ind. Estate,	CD, Shlok, Govt. Ind. Estate,	Audio Visual Means (VC/ OAVM)
	Charkop, Kandivli (West), Mumbai	Charkop, Kandivli (West), Mumbai	
	400 067.	400 067.	

Ms. Nivedita Juvatkar had resigned on 31/05/2021 as a Company Secretary and Compliance Officer.

The following are the special resolutions passed at the Annual General Meeting held in the last three years.

AGM held on	Special Resolution passed	Summary
28/09/2018	Yes	<ul> <li>a) Approval of the Special Resolution under section 180 (1)(a).</li> <li>b) Approval for availing/ already availed financial assistance from the related parties.</li> </ul>
30/09/2019	Yes	<ul> <li>a) Approval of the Special Resolution under section 180(1)(a)</li> <li>b) Reappointment of Mr. Mahesh Shah as Managing Director of the Company for the period of 3 years.</li> <li>c) Appointment of Mrs. Harsha Mukesh Shah as an Independent Director of the Company.</li> <li>d) Appointment of Mrs. Avani Pandit as an Independent Director of the Company.</li> <li>Approval to enter into the contract with related party under Section 188 of the Companies Act, 2013.</li> </ul>
30/09/2020	Yes	

# II. Related Party Transactions:

The Company has not entered into any material significant transactions with its promoters, Directors or the management or relatives etc. that may have potential conflict with the interest of the Company at large during the year.

Attention of members is drawn to the disclosures of transactions with the related parties set out in Notes on Accounts – Note No. 31, forming part of Annual Report.

All the related party transactions in the ordinary course of business are placed periodically before the Audit Committee and they are negotiated on arm's length basis and are only intended to further the interest of the Company

The Policy on Materiality of Related Party Transaction is available on our website: www.rcvp.in

# III. Listing Agreement:

The Company has complied with all requirements of the Listing Agreement entered into with the Stock Exchange as well as the regulations and guidelines of SEBI LODR (Regulations, 2015).

# IV. Whistle Blower Policy:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behavior.

No person has been denied access to the Chairman of the audit committee. The Whistleblower Policy is available on our website: www.rcvp.in.

# V. Disclosures on Risk Management:

The Company has laid down procedures to inform the members of the Board about the risk assessment and minimisation procedures and the same is reviewed by the Board periodically.

## VI. Disclosure of Accounting Treatment:

In the preparation of the financial statements, the Company has followed INDAS issued by The Institute of Chartered Accountant of India to the extent applicable.

## OTHER DISCLOSURES:

- I. Material significant related party transactions which may have potential conflict with the interests of the Company at large: -(NO)
- II. Material financial and commercial transactions of senior management, where they may have had personal interest, and which had potential conflict with the interests of the Company at large: -(NO)

## 9. MEANS OF COMMUNICATION

The quarterly and half yearly unaudited and annual audited financial results were published in 'Financial Express' in English and 'The Global Times' in Marathi (regional language). The quarterly financial results, shareholding pattern, reports on compliance with corporate governance, annual reports, etc. are regularly uploaded on the Company's website – 'www.rcvp.in', in compliance with Regulation 46 and 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Presentation made to the Analyst and the Institutional Investors after the declaration of the quarterly, half yearly and annual results are also displayed on the Company's website. The Annual Report is circulated to all members and is also available on the Company's website.

- 10. THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46
  - a) The Company has a process to provide, inter-alia, the information to the Board as specified in Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Corporate Governance.
     The Board also periodically reviews the compliances by the Company of all applicable laws.
  - b) The Board of Directors in their meeting regularly discuss and are satisfied that the Company has plans in place for orderly succession for appointment to the Board of Directors and Senior Management.
  - c) Code of Conduct for Board and Senior Managerial Personnel: The Board has laid down a code of conduct for Board members and senior management personnel of the Company. The code also incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website www.rcvp.in. The Board members and senior management personnel have affirmed compliance with the said code of conduct. A declaration in this regard signed by the Managing Director is given in this Report. The Company has adopted a code of conduct for prevention of insider trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015. The same has been placed on the website of the Company www.rcvp.in. All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under Report, there has been due compliance with the said code of conduct for prevention of insider trading.
  - d) The Company complies with the requirement of placing minimum information before the Board of Directors as contained in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - e) The Managing Director compliance certification under Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.
  - f) The Company has laid down procedures to inform the members of the Board about the risk assessment and minimization procedures and the same is reviewed by the Board periodically.

- g) The Board on an annual basis evaluates the performance of Independent Directors. The Independent Directors have also given declarations that they fulfill the criteria of independence as specified in SEBI (LODR) Regulations, 2015 and that they are independent of the Company's management.
- h) The Company has formulated a policy on materiality of related party transactions and dealing with related party transactions including clear threshold limits approved by the Board which is available on the website of the Company (www.rcvp.in).
- i) All related party transactions entered into by the Company with related parties are at an arm's length basis and in the ordinary course of Company's business. Transactions with related parties are disclosed under notes forming part of the accounts. The Board and the Audit Committee periodically reviews the details of the related party transactions entered into by the Company. Omnibus approval from the Audit Committee is also obtained before entering into related party transactions. The necessary shareholder's resolution is also obtained wherever necessary.
- j) No employee including Key Managerial Personnel or Director or Promoter of the Company has entered into any agreement for himself or on behalf of other person with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.
- k) Subsidiary Companies: The Company does not have any subsidiary company.
- None of the Director of the Company is a director or act as independent director in more than seven listed entities and none of the Wholetime Director serve as an Independent Director in more than 3 listed entities. None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees across all the companies in which they are Directors. All directors have disclosed their committee positions to the Company. For determining this limit, Chairpersonship and Membership of Audit Committee and Stakeholders Relationship Committee only are considered. In accordance with requirements of Section 149(6) and (7) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, all the independent directors have given declaration of independence on 01st April 2021 and the same will be approved in the upcoming board meeting of the current financial year.
- m) Independent Directors Meeting During the financial year under review: the Independent Directors met on 12th February, 2021 without the attendance of non-independent directors and members of the management, inter-alia, to discuss: i. Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole; ii. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors; and iii. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the independent Directors were present at the said meeting.
- n) The Company maintains a functional website (www.rcvp.in) containing the basic information about the Company. The Company has disseminated all the required information on its website as required under Regulation 46 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- o) Information on Director retiring by rotation and seeking the re-appointment and Director being re-appointed. Mr. Jayesh Motasha (DIN 00054236). Is given in Notice.
- p) Reconciliation of Share Capital Audit: A qualified Practicing Company Secretary carries out a share capital audit to reconcile the total admitted equity share capital with NSDL and CDSL and the total issued and listed equity share capital of the Company. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- g) Dividend Distribution Policy: -Company has not declare any dividend.

## 11. GENERAL SHAREHOLDER INFORMATION

A.	Annual Ge	neral meeting					
Α.	Date and 1	-		30th Sentember	30 <sup>th</sup> September, 2021 at 12.30 p.m.		
	Venue	IIIIC			Through Video conferencing/ other audio visual means (VC/OAVM).		
В.	Financial (	`alandar			March 31st, 2022		
ъ.		eporting for 1st Quarter end	ing 30th lune 2021	On or before August 14 <sup>th</sup> , 2021.			
		eporting for 2 <sup>nd</sup> Quarter end		On or before November 14 <sup>th</sup> , 2021			
		eporting for 3rd Quarter en			e February 14 <sup>th</sup> , 2022		
	FILIALICIALN	eporting for 5rd Quarter en	uing 31 - Dec, 2021	On or before the	: February 14, 2022		
	Audited Re	esults for the year ending M	arch, 2022	On or before Ma	ov 30 <sup>th</sup> . 2022		
C.		ook closure	a. a., 2022		Friday, 24 <sup>th</sup> September, 2021 to Thursday 30 <sup>th</sup>		
•	2000 20000 2				1 (both days inclusive)		
D.	Dividend payment date			Not applicable			
E.		Stock Exchanges		BSE LTD			
F.	Stock Cod			BSE Ltd., Mumba	ai		
				Scrip Code: 5261			
				Demat ISIN No. 0	CDSL & NSDL: INE618A01011		
G.	Market pri	ce data (High, Low Market p	orice on BSE Limited	during each month	of the financial year.		
	Manth		Pric	e			
	Month		High (Rs.)	Low(Rs.)	Total no. of Shares traded		
	April' 2	020	3.55	3.23	370		
	May' 20	020	3.71	3.71	370		
	June' 2	020	4.05	3.85	542		
	July' 20	20	4.00	3.54	3477		
	August' 2020		3.80	2.93	63570		
	Septem	iber' 2020	4.48	2.66	233977		
	Octobe	r' 2020	4.05	4.05	3		
	Novem	ber' 2020	5.19	4.05	2687		
	Decem	ber' 2020	7.12	5.35	11837		
	January	r' 2021	9.40	6.37	46068		
	Februa	ry' 2021	8.60	6.95	15698		
	March'	2021	7.71	6.03	34731		
H.	Address fo	r correspondence					
	a)	Registrar and Share Trans	sfer Agent				
		M/s. Universal Capital Sec	urities Drivete Limite	٠ ا			
		C 101, 247 Park,	unities Private Limite	:u			
		LBS Road, Vikhroli West,					
		Mumbai – 400083.					
		Tel No. 022- 49186178/79	)				
	b)	Company's Share Depart		e Officer for Invest	or Grievance Redressal		
	<u> </u>				etary and Compliance Officer, will be available at the		
		following Registered Offic		• •	•		
		Royal Cushion Vinyl Produ	ıcts Limited.				
		60 CD "SHLOK" Governme	ent Ind. Estate,				
		Charkop, Kandivli (West),	Mumbai 400 067				
		Tel No. 022- 28603516,					
		Email: legalho83@gmail.o					
		**Ms. Nivedita Juvatkar –	Company Secretary	and Compliance Of	ficer Resigned on 31/05/2021.		
I.		nsfer System					
	1	•		•	ofer Agents of the Company. The share transfers which		
			•	•	nare certificates are returned within 30 days from the		
			ents being valid and o	complete in all resp	ect. The power to Share Transfer has been delegated		
	_	ir and Transfer Agents.	النائد، المعماميين	worden manifest of a	E days from the date of acceptance the late of the		
	1	luests are processed and co	ompieted within an a	iverage period of 1	5 days from the date of receipt provided they are in		
	order.						

Range	No. of Shareholder	%	No. of Shares		%	
No. of equity shares						
Upto 500	2739	83.13		4,81,285	3.9	
501 – 1000	253	7.68		2,00,897	1.6	
1001 – 2000	123	3.73		1,91,415	1.5	
2001 – 3000	34	1.03		85,789	0.7	
3001 – 4000	25	0.76		86,667	0.7	
4001 – 5000	24	0.73		1,13,666	0.9	
5001 – 10000	24	0.73		1,64,617	1.3	
10001 and above	73	2.21		1,07,42,876	89.0	
Total	3295	100.00		120,67,212	100.0	
Shareholding Pattern as or	n 31 <sup>st</sup> March, 2021					
Category		ı	No. of Shares	% o	f Shareholding	
Promoters (Including Fo	Promoters (Including Foreign Promoters)				66.16	
Mutual Fund & UTI			5,100		0.04	
Banks, Financial Instituti	ons, etc.		4,19,830		3.48	
Private Corporate Bodie	S		4,78,046		3.96	
NRIs			48,434		0.40	
Indian Public			31,32,674		25.96	
Grand Total			1,20,67,212		100.00	
Dematerialization of Share						

## 12. Compliance

A Certificate has been obtained from the Statutory Auditor of the Company regarding Compliance of conditions of Corporate Governance & is attached to this report.

On Behalf of the Board of Directors For **Royal Cushion Vinyl Products Limited** 

Mahesh Shah Managing Director (DIN 00054351)

Place: Mumbai Date: 03/09/2021

Certificate by Managing Director in Terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is certified as under that:

We have reviewed the financial statements for the quarter/ year ended March 31, 2021 and certify that:

- a) These statements to the best of our knowledge and belief:
  - I. Do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading:
  - II. Present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which is fraudulent, illegal or violate of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for the financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and that no material deficiencies in the design or operation of internal controls were observed in the year ended March 31, 2021.
- d) We have also indicated to the Auditors and the Audit Committee.
  - I. There have been no significant changes in Internal Controls with respect to financial reporting during the year.
  - II. There has been no significant change in accounting policies during the year.
  - III. There have no instances of significant fraud of which we have become aware.

This Certificate is given by the undersigned with full knowledge that on its faith and strength, full reliance is placed by the Board of Directors of the Company.

Place: Mumbai Date: 30<sup>th</sup> June, 2021 Mahesh Shah Managing Director (DIN 00054351)

## Declaration on Compliance with the Company's Code of Conduct

To,
The Members of
Royal Cushion Vinyl Products Limited

I confirm that all Directors and members of Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the year ended March 31, 2021.

For Royal Cushion Vinyl Products Limited

Mahesh Shah Managing Director (DIN 00054351)

Place: Mumbai Date: 30<sup>th</sup> June, 2021

## Certificate from company secretary in Practice

In terms of Regulation 34(3) read with Schedule V Para C(10)(i) to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (SEBI) (**Listing Obligations and Disclosure Requirements**) **Regulations**, **2015**) in respect of ROYAL CUSHION VINYL PRODUCTS LIMITED (CIN: L24110MH1983PLC031395) We hereby certify that:

On the basis of the written representation/ declaration received from the Directors and taken on record by the Board of Directors, as on March 31, 2021, none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

For and on behalf of LOYA & SHARIFF Practicing Company Secretaries

CS PADMA LOYA

Place: Mumbai

Proprietor

Date: 31st August, 2021

M.No. 25349 COP.14972

UDIN:A025349C000862284

## **Independent Auditor's Certificate on Corporate Governance**

#### To the Members of Royal Cushion Vinyl Products Limited

1. We have examined the compliance of conditions of corporate governance by **Royal Cushion Vinyl Products Limited** ('the Company') contains details as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2021.

#### Management's Responsibility

2. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

## **Auditor's Responsibility**

- 3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- 4. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

#### Opinion

5. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us and representation made by director and the management and considering the relaxation granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of Covid 19 pandemic, we certify that the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March, 2021. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

## Restriction on use

6. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

FOR BIPIN & CO Chartered Accountants Firm Registration No.101509W

PLACE:VADODRA
DATE: 02<sup>nd</sup> September,2021

(A.D.SHAH)
PARTNER
MEMBERSHIP NO. 126337
UDIN: 21126337AAAAFP3831

## **INDEPENDENT AUDITORS' REPORT**

## To the members of royal cushion vinyl products limited Report on the Audit of the Standalone Financial Statements Opinion

- 1. We have audited the standalone financial statements of ROYAL CUSHION VINYL PRODUCTS LIMITED ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2021, and the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").
- 2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards("Ind AS") specified u/s 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2021, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

## **Basis of Opinion**

3. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## **Emphasis of Matter**

4. Our Opinion is not modified in respect of this matter.

## **Key Audit Matters**

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

# Revenue recognition in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)

6. Revenue recognition is significant audit risk within the Company. The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.

## **Principal Audit Procedures**

- Our audit consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:
- We evaluated the design of internal controls relating to revenue recognition.
- We selected sample of Sales transactions and tested the operating effectiveness of the internal control relating to revenue recognition.
- We carried out a combination of procedures involving enquiry and observation, re performance and inspection.

- We have tested sample of Sale transactions to their respective customer contracts, underlying invoices and related documents.
- We have performed cut-off procedures for sample of revenue transactions at year-end in order to conclude on whether they were recognized in accordance with Ind-AS 115.

## INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

7. The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the standalone financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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 and Those Charged with Governance for the Financial Statements

- 8. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs (financial position), profit or loss(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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- 9. In preparing the Standalone 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.
- 10. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

- 11. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
- 12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or
    error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and
    appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud

is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are
  appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion
  on whether the Company has adequate internal financial controls system in place and the operating effectiveness of
  such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion.
- 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.
- Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate,
  makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial
  statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of
  our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements
  in the standalone financial statements
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 13. 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.
- 14. 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.
- 15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

- 16. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
- 17. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in term of subsection (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The standalone financial statements dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.
- e) On the basis of written representations received from the directors as on 31 March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
- 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:
- the Company has disclosed the impact of pending litigations on its financial position in the standalone financial statements;
- II. the Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- III. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31st 2021;

For, BIPIN & CO.
CHARTERED ACCOUNTANTS

FRN: 101509W

PLACE: VADODARA DATE:30<sup>TH</sup> June, 2021

CA AMIT SHAH PARTNER M. No.: 126337

UIDN:21126337AAAAEF3514

## ANNEXURE "A" TO THE AUDITORS' REPORT

Annexure "A" to the Independent Auditor's Report of even date to the members of Royal Cushion Vinyl Products Limited, on the standalone financial statements for the year ended March 31st 2021.

Annexure A

 (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

- (b) The Company has a regular program of physical verification of its property, plant and equipment under which property, plant and equipment are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- II. In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the yearend, written confirmations have been obtained by the management. No material discrepancies were noticed on the aforesaid verification.
- III. As per information and explanation given to us, the company has not granted loans to parties covered in the register maintained under section 189 of the Companies Act hence clause (iii) (a) to (c) are not applicable to the company.
- IV. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- V. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the Company.
- 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 sub-section (1) of Section 148 of the Act in respect of Company's products and services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- VII. In respect of Statutory dues:
  - a) According to the records of the Company, the Company is generally not regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Valued Added Tax and Cess and other statutory dues with the appropriate authorities.

According to the information and explanations given to us, the undisputed statutory due which have remained outstanding as at 31st March, 2021, for a period of more than six months from the day they become payable are as under.

NAME OF THE STATUTE	NATURE OF THE DUE	AMOUNT	
Custom Act	Custom Duty	56,83,94,779	

b) The disputed statutory dues that have not been deposited on account of disputed matters pending before appropriate authorities are as under.

Sr.	Nature of the Status	Nature of the due	Amount	Period to which the	Forum where dispute is
No.				amount relate	Pending
1.	The Central Excise Act	Custom Duty	30,34,670	Various year	Commissioner
					Vadodara
2.	The FERA Act	Penalty	1,00,00,000	2002-03	Appellate Authority FERA
					New Delhi
3	The Income Tax Act	Penalty	46,62,473	Various years	Various Authorities

4	The Central Excise Act	Excise Duty	12,97,378	Various Year	Commissioner
					Vadodara

VIII. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

NAME OF BANKS/ INSTITUTIONS	AMOUNT ( Rs.)
PANCHMAHAL DIST. CO-OP BANK LTD.	19,83,158
BARODA CITY CO-OP BANK	32,68,089
FINQUEST FINANCIAL SOLUTION PRIVATE LIMITED	234,70,44,523

- IX. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- X. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its Officers or employees has been noticed or reported during the year.
- XI. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 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.
- XIII. Based upon the audit procedures performed and the information and explanations given by the management, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- XIV. According to the information and explanations given by the management and based on our examinations of the records of the Company, during the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, provisions of clause 3(xiv) of the Order are not applicable.
- XV. Based upon the audit procedures performed and 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. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon
- XVI. The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order is not applicable to the Company and hence not commented upon.

For, BIPIN & CO.
CHARTERED ACCOUNTANTS
FRN: 101509W

PLACE: VADODARA DATE:30<sup>TH</sup> June, 2021

CA AMIT SHAH
PARTNER
M. No.: 126337
UIDN:21126337AAAAEF3514

## Annexure "B" to the Auditors' Report

Report on the internal financial controls with reference to the aforesaid standalone financial statements under section 143(3)(i) of the Companies Act, 2013

We have audited the internal financial controls with reference to financial statements of **ROYAL CUSHION VINYL PRODUCTS LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

#### Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 (hereinafter referred to as "the Act").

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls over Financial Reporting

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

For, BIPIN & CO.
CHARTERED ACCOUNTANTS
FRN: 101509W

PLACE: VADODARA DATE:30<sup>TH</sup> June, 2021

CA AMIT SHAH
PARTNER
M. No.: 126337

UIDN:21126337AAAAEF3514

## Balance Sheet as at 31st March, 2021

			(Amount in ₹ )
Particulars	Notes	As at	As at
ACCETC		31st March,2021	31st Mar,2020
ASSETS (1) Non-current assets			
• •	3	119 690 646	155 602 750
(a) Property Plant and Equipment	3	118,680,646 9,630,438	155,692,759
(b) Right of use assets	3	5,262,335	12,919,435 5,202,336
(c) Capital Work-in-Progress (d) Investment Property	3	2,508,835	2,694,629
(e) Financial assets	3	2,308,833	2,094,029
(i) Investments	4	1,773,176	2,024,557
**	5		
(ii) Other Financial Assets  Total Non Current assets	5	9,530,379 <b>147,385,809</b>	9,918,379 <b>188,452,095</b>
Total Non Current assets		147,385,809	188,452,095
(2) Current Assets			
(a) Inventories	6	116,110,171	95,170,740
(b) Financial Assets		-, -,	, -,
(i) Trade Receivables	7	27,276,682	15,545,413
(ii) Cash and Cash Equivalents	8	6,497,319	3,817,047
(iii) Bank Balances other than Cash and Cash Equivalents	9	2,003,967	2,333,916
(iv) Loans	10	928,605	249,100
(c) Other Current Assets	11	52,215,188	29,868,598
(d) Current Tax Assets		2,989,273	4,090,537
Total current assets		208,021,205	151,075,350
TOTAL ASSETS		355,407,015	339,527,445
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	120,672,120	120,672,120
(b) Other Equity	13	(4,628,904,627)	(4,648,250,314)
TOTAL EQUITY	13	(4,508,232,507)	(4,527,578,194)
			, , .
Liabilities			
(1) Non-current Liabilities			
(a) Financial liabilities			
(i) Borrowings	14	3,336,950,990	3,335,820,467
(b) Provisions	15	587,174,214	585,268,701
Total Non-current liabilities		3,924,125,204	3,921,089,168
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	16		
- Due to Micro and Small Enterprises		69,306,659	8,576,805
- Others		784,759,628	836,454,703
(b) Other current liabilities	17	84,590,397	98,540,057
(c) Provisions	18	857,634	2,444,906
Total current liabilities		939,514,318	946,016,471
Total liabilities		4,863,639,522	4,867,105,639
TOTAL EQUITY AND LIABILITIES		355,407,015	339,527,445
See accompanying Notes to the Financial Statements	1 to 47	333,407,013	333,327,443
As per our report of even date	2.0.7		

As per our report of even date For BIPIN & CO. **Chartered Accountants** Firm Reg. No. 101509W

AMIT SHAH (Partner) Membership No. 126337 UDIN:21126337AAAAEF3514 MAHESH K.SHAH Chairman & Managing Director 00054351

JAYESH A MOTASHA Director 00054236

DEEPTI PAREKH Company Secretary ACS60978 Place : VADODARA Place : MUMBAI Date: 30-06-2021 Date: 30-06-2021

## Statement of Profit and Loss for the year ended 31st March, 2021

Revenue from Operations	Particulars	Note No	for the year ended 31st March,2021	for the year ended 31st Mar,2020
Total Income   173,243,976   1726,160,922	Revenue from Operations	19	609,664,373	624,865,864
Expenses	Other Incomes	20	129,579,603	101,295,058
Cost of Materials Consumed   21   518,583,848   479,369,196   Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress   23   (11,494,961)   29,029,980   62,596,986   68,003   62,596,986   62,596,986   62,596,986   62,596,986   62,596,986   62,596,986   62,596,986   62,596,986   62,596,986   62,596,986   62,596,986   62,596,986   62,596,986   62,596,986   62,596,986   62,596,986   62,596,986   62,596,994   62,522,000   62,586,994   62,522,000   6	Total Income		739,243,976	726,160,922
Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress   23   11,494,961)   29,029,980   29,029,980   29,029,980   29,029,980   29,029,980   29,029,980   29,029,980   29,029,980   29,029,980   29,029,980   29,029,980   29,029,980   29,029,980   29,029,980   29,029,980   29,029,980   29,029,980   29,029,980   29,029,980   29,029,990   29,028,783   29,029,990   29,015,193   29,029,990   29,0015,193   29,0015,1	Expenses			
Work in Progress         22         (11,494,961)         29,029,980           Employee Benefits Expense         23         51,576,980         62,596,986           Finance Costs         24         35,232,307         38,466,003           Depreciation and Amortization Expense         1         16,801,934         19,216,142           Other Expenses         719,228,783         794,977,301           Total Expenses         719,228,783         794,977,301           Profit/(Loss) before exceptional items and tax         20,015,193         (68,816,379)           Exceptional ltems         -         -           Profit/(Loss) before tax         -         -           I (1) Current Tax         -         -           (2) Deferred tax         -         -           Profit/(loss) for the period from continuing operations (VII-VIII)         20,015,193         (68,816,379)           Profit/(loss) from discontinued operations         -         -           Profit/(loss) from discontinued operations         -         -           Profit/(loss) from discontinued operations (after tax) (X-XI)         -         -           Profit/(loss) from discontinued operations (after tax) (X-XI)         -         -           Profit/(Loss) for the period after Tax         (X-X-X-X-X-X-X-X-X-X-X-	Cost of Materials Consumed	21	518,583,848	479,369,196
Finance Costs   23   3,1,576,980   62,596,986   Finance Costs   24   35,232,307   38,466,003   36,260,003	· ·	22	(11,494,961)	29,029,980
Finance Costs	S .	23	51.576.980	62.596.986
Depreciation and Amortization Expense   1   16,801,934   19,216,142   19,116,142   19,116,142   19,116,142   19,116,142   108,528,675   166,298,994   19,116,145   19,116,14	· ·			, ,
Other Expenses         25         108,528,675         166,298,994           Total Expenses         719,228,783         794,977,301           Profit/Loss before exceptional items and tax         20,015,193         (68,816,379)           Exceptional Items         10         68,816,379           Profit/(Loss) before tax         20,015,193         (68,816,379)           Tax Expense: (1) Current Tax (2) Deferred tax         10         1           Profit/(loss) for the period from continuing operations (VII-VIII)         20,015,193         (68,816,379)           Vill (loss) from discontinued operations         20,015,193         (68,816,379)           Profit/(loss) from discontinued operations (after tax) (X-XI)         1         1         1           Profit/(loss) for the period after Tax         20,015,193         (68,816,379)         1           Other Comprehensive Income         20,015,193         (68,816,379)         1           Other Comprehensive Income         (669,506)         2,684,131         1           (i) Remeasurement of defined benefit plans         (669,506)         2,684,131         1           (ii) Income tax relating to items that will not be reclassified to profit or loss         (669,506)         2,684,131           (ii) Income tax relating to items that will be reclassified to profit or loss         (669,5		1		, ,
Profit/Loss before exceptional items and tax	·	25		
Exceptional Items Profit/(Loss) before tax Profit/(Loss) before tax 10 Current Tax (2) Deferred tax Profit/(loss) for the period from continuing operations (VII- VIII) Profit/(loss) from discontinued operations Tax expense of discontinued operations Tax expense of discontinued operations Tax expense of discontinued operations Profit/(loss) from discontinued operations Profit/(loss) from discontinued operations Profit/(loss) from discontinued operations Profit/(loss) from discontinued operations Profit/(loss) for the period after Tax Other Comprehensive Income A I tems that will not be reclassified to profit or loss (i) Remeasurement of defined benefit plans (ii) Income tax relating to items that will not be reclassified to profit or loss B (i) Items that will be reclassified to profit or loss (ii) Income tax relating to items that will be reclassified to profit or loss Total other comprehensive income Total comprehensive income Total Comprehensive income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period) Earnings per equity share ( for continuing operations): (1) Basic (1) Basic (2) Diluted (3) Diluted (4) Earnings per equity share ( for continuing operations): (2) Diluted	Total Expenses		719,228,783	794,977,301
Profit/(Loss) before tax Tax Expense: (1) Current Tax (2) Deferred tax			20,015,193	(68,816,379)
Tax Expense: (1) Current Tax (2) Deferred tax Profit/(loss) for the period from continuing operations (VIIII) Profit/(loss) for the period from continuing operations VIII) Profit/(loss) from discontinued operations Tax expense of discontinued operations Tax expense of discontinued operations Profit/(loss) from discontinued operations Profit/(loss) from discontinued operations Profit/(loss) from the period after Tax Profit/(loss) from the period after Tax (1) Remeasurement of defined benefit plans (1) Remeasurement of defined benefit plans (1) Remeasurement of defined benefit plans (1) Income tax relating to items that will not be reclassified to profit or loss (1) Income tax relating to items that will be reclassified to profit or loss (1) Income tax relating to items that will be reclassified to profit or loss (1) Income tax relating to items that will be reclassified to profit or loss Total other comprehensive income Total Comprehensive Income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period) Earnings per equity share (for continuing operations): (1) Basic (2) Diluted (1) Earlings per equity share (for continuing operations): (2) Diluted	Exceptional Items		-	-
(1) Current Tax (2) Deferred tax	Profit/(Loss) before tax		20,015,193	(68,816,379)
C2   Deferred tax   C3   C4   C5   C7   C7   C7   C7   C7   C7   C7	Tax Expense:			
Profit/(loss) for the period from continuing operations (VII-VIII) Profit/(loss) from discontinued operations Tax expense of discontinued operations Tax expense of discontinued operations Profit/(loss) from discontinued operations (after tax) (X-XII) Profit/(loss) for the period after Tax Profit/(loss) from discontinued operations (i) Remeasurement of defined benefit plans (ii) Income tax relating to items that will not be reclassified to profit or loss B (i) Items that will be reclassified to profit or loss (ii) Income tax relating to items that will be reclassified to profit or loss Total other comprehensive income Total Comprehensive income Total Comprehensive income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period) Earnings per equity share (for continuing operations):  (1) Basic (2) Diluted (3) Diluted (468,816,379) (68,816,379) (68,816,379) (68,816,379) (68,816,379) (7) Carrial Comprehensive Income for relating to items that will be reclassified to profit or loss (669,506) (7) (669,506) (7) (669,506) (7) (669,506) (7) (7) (7) (7) (7) (7) (7) (7) (7) (7)	• •		-	-
VIII) Profit/(loss) from discontinued operations Tax expense of discontinued operations Profit/(loss) from discontinued operations Profit/(loss) from discontinued operations Profit/(loss) from discontinued operations (after tax) (X-XI) Profit/(loss) for the period after Tax  Other Comprehensive Income A Items that will not be reclassified to profit or loss (i) Remeasurement of defined benefit plans (ii) Income tax relating to items that will not be reclassified to profit or loss B (i) Items that will be reclassified to profit or loss (ii) Income tax relating to items that will be reclassified to profit or loss Total other comprehensive income Total Comprehensive income Total Comprehensive Income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period) Earnings per equity share ( for continuing operations): (1) Basic (2) Diluted  (30,015,193 (68,816,379) (68,9506) (69,506) (69,506) (69,506) (69,506) (69,506) (69,506) (69,506) (69,506) (69,506) (69,506) (69,506) (69,506) (69,506) (69,506) (69,506) (69,506) (69,5	• •		-	-
Profit/(loss) from discontinued operations  Tax expense of discontinued operations  Profit/(loss) from discontinued operations (after tax) (X-XI)  Profit/(Loss) for the period after Tax  Other Comprehensive Income  A Items that will not be reclassified to profit or loss  (i) Remeasurement of defined benefit plans  (ii) Income tax relating to items that will not be reclassified to profit or loss  B (ii) Items that will be reclassified to profit or loss  (ii) Income tax relating to items that will be reclassified to profit or loss  Total other comprehensive income  Total Comprehensive Income for the period (Comprising  Profit / (Loss) and Other Comprehensive Income for the period)  Earnings per equity share ( for continuing operations):  (1) Basic  (2) Diluted  (30,015,193  (66,816,379)  (68,816,379)  (669,506)  2,684,131  (66,132,248)  (66,132,248)  (5.70)  (2) Diluted			20.015.193	(68.816.379)
Tax expense of discontinued operations Profit/(loss) from discontinued operations (after tax) (X-XI) Profit/(Loss) for the period after Tax Other Comprehensive Income A Items that will not be reclassified to profit or loss (i) Remeasurement of defined benefit plans (ii) Income tax relating to items that will not be reclassified to profit or loss B (i) Items that will be reclassified to profit or loss (ii) Income tax relating to items that will be reclassified to profit or loss Gi) Income tax relating to items that will be reclassified to profit or loss Total other comprehensive income Total Comprehensive Income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period) Earnings per equity share (for continuing operations):  (1) Basic (2) Diluted Gespace Suppose Sup	·		20,013,133	(00,010,013)
Profit/(loss) from discontinued operations (after tax) (X-XI)  Profit/(Loss) for the period after Tax  Other Comprehensive Income  A Items that will not be reclassified to profit or loss  (i) Remeasurement of defined benefit plans  (ii) Income tax relating to items that will not be reclassified to profit or loss  B (i) Items that will be reclassified to profit or loss  (ii) Income tax relating to items that will be reclassified to profit or loss  (iii) Income tax relating to items that will be reclassified to profit or loss  Total other comprehensive income  Profit / (Loss) and Other Comprehensive Income for the period (Comprising  Profit / (Loss) and Other Comprehensive Income for the period)  Earnings per equity share (for continuing operations):  (1) Basic  (2) Diluted  (30,015,193  (66,9367)  (66,132,248)  (66,132,248)  (76,132,248)  (76,132,248)  (76,132,248)  (76,132,248)  (76,132,248)	·			
Profit/(Loss) for the period after Tax	·			
Other Comprehensive Income  A Items that will not be reclassified to profit or loss (i) Remeasurement of defined benefit plans (ii) Income tax relating to items that will not be reclassified to profit or loss  B (i) Items that will be reclassified to profit or loss (ii) Income tax relating to items that will be reclassified to profit or loss (ii) Income tax relating to items that will be reclassified to profit or loss  Total other comprehensive income Total Comprehensive Income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period) Earnings per equity share (for continuing operations): (1) Basic (1) Basic (2) Diluted (669,506) (669,506) (669,506) (669,506) (669,506) (669,506) (669,506) (769,506) (769,506) (769,506) (769,507) (769,5			-	-
A Items that will not be reclassified to profit or loss (i) Remeasurement of defined benefit plans (ii) Income tax relating to items that will not be reclassified to profit or loss  B (i) Items that will be reclassified to profit or loss (ii) Income tax relating to items that will be reclassified to profit or loss (iii) Income tax relating to items that will be reclassified to profit or loss  Total other comprehensive income  Total Comprehensive Income for the period (Comprising  Profit / (Loss) and Other Comprehensive Income for the period)  Earnings per equity share (for continuing operations): (1) Basic (2) Diluted  (669,506) (699,506) (609,506)			20,015,193	(68,816,379)
(i) Remeasurement of defined benefit plans (ii) Income tax relating to items that will not be reclassified to profit or loss B (i) Items that will be reclassified to profit or loss (ii) Income tax relating to items that will be reclassified to profit or loss (ii) Income tax relating to items that will be reclassified to profit or loss  Total other comprehensive income Total Comprehensive Income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period) Earnings per equity share (for continuing operations): (1) Basic (2) Diluted (669,506) (669,506) (199,345,687) (66,132,248) (199,345,687) (199,3				
(ii) Income tax relating to items that will not be reclassified to profit or loss  B (i) Items that will be reclassified to profit or loss (ii) Income tax relating to items that will be reclassified to profit or loss  Total other comprehensive income Total Comprehensive Income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period (Somprehensive Income for the period)  Earnings per equity share (for continuing operations): (1) Basic (1) Basic (2) Diluted (3) Diluted			(550 505)	2 504 424
to profit or loss B (i) Items that will be reclassified to profit or loss (ii) Income tax relating to items that will be reclassified to profit or loss  Total other comprehensive income Total Comprehensive Income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period (Eomprehensive Income for the period) Earnings per equity share (for continuing operations): (1) Basic (2) Diluted (3) Comprehensive Income for the period (Eomprehensive Income for the period) (66,132,248) (66,132,248) (10, 10, 10, 10, 10, 10, 10, 10, 10, 10,	•		(669,506)	2,684,131
B (i) Items that will be reclassified to profit or loss (ii) Income tax relating to items that will be reclassified to profit or loss  Total other comprehensive income Total Comprehensive Income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period) Earnings per equity share (for continuing operations): (1) Basic (2) Diluted  Exercises 1.66 (5.70) (2) Diluted	•		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss  Total other comprehensive income Total Comprehensive Income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period) Earnings per equity share (for continuing operations): (1) Basic (2) Diluted (iii) Income tax relating to items that will be reclassified to profit or loss. (66,132,248) (66,132,248) (66,132,248) (75.70) (8) Diluted	P			
profit or loss  Total other comprehensive income Total Comprehensive Income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period) Earnings per equity share (for continuing operations): (1) Basic (2) Diluted  (66,132,248) (66,132,248) (1) Basic (1) Basic (2) Diluted	•			
Total other comprehensive income (669,506) 2,684,131  Total Comprehensive Income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period)  Earnings per equity share (for continuing operations):  (1) Basic 1.66 (5.70) (2) Diluted 1.66 (5.70)	.,			
Total Comprehensive Income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period)  Earnings per equity share (for continuing operations): (1) Basic 1.66 (5.70) (2) Diluted 1.66 (5.70)			(660 E06)	2 694 121
Profit / (Loss) and Other Comprehensive Income for the period)         19,345,687         (66,132,248)           Earnings per equity share (for continuing operations):         5.70         1.66         (5.70)           (2) Diluted         1.66         (5.70)	·		(865,306)	2,004,131
(66,132,248)       period)       Earnings per equity share (for continuing operations):       (1) Basic     1.66     (5.70)       (2) Diluted     1.66     (5.70)			19 345 687	
Earnings per equity share ( for continuing operations): (1) Basic (2) Diluted (5.70) (2) Earnings per equity share ( for continuing operations): (1.66 (5.70)	• • •		19,343,087	(66,132,248)
(1) Basic     1.66     (5.70)       (2) Diluted     1.66     (5.70)	• •			
(2) Diluted 1.66 (5.70)			1 66	(5.70)
	• •			` '
	See accompanying Notes to the Financial Statements	1 to 47	00	(=:/0)

As per our report of even date

For BIPIN & CO. Chartered Accountants Firm Reg. No. 101509W For ROYAL CUSHION VINYL PRODUCTS LTD.

Amit Shah (Partner) Membership No. 126337

UDIN:21126337AAAAEF3514

Place : VADODARA Date : 30-06-2021 MAHESH K.SHAH Chairman & Managing Director 00054351

Place : MUMBAI Company Secretary
Date : 30-06-2021 ACS60978

JAYESH A MOTASHA Director 00054236

## Statement of changes in Equity for the year ended 31st March, 2021

(a) Equity share capital (Amount in ₹ )

	Balance at the beginning of the reporting period	Changes in the equity share capital during the year	Balance at the end of the reporting period
Number of Shares	12,067,212		12,067,212
Value of Shares	120,672,120		120,672,120

(b) Other equity (Amount in ₹ )

(b) Other equity	(Minodiff III C)				
Particulars	Capital reserves	Securities Premium	Investment Allowance Reserve	Retained Earnings	Total
Balance at the end of the reporting period i.e.					
31.03.2019	649,080	723,225,231	4,534,000	(5,310,526,377)	(4,582,118,066)
Profit / (Loss) for the period	-	-	-	(68,816,379)	(68,816,379)
Other Comprehensive Income / (Loss)*	-	-	-	2,684,131	2,684,131
Total Other comprehensive income for the					
year	-	-	-	(66,132,248)	(66,132,248)
Addition/( deletion ) during the year	-	-	-	-	-
Balance at the end of the reporting period i.e. 31.03.2020	649,080	723,225,231	4,534,000	(5,376,658,625)	(4,648,250,314)
Profit / (Loss) for the period	-	-		20,015,193	20,015,193
Other Comprehensive Income / (Loss)*	-	-	-	(669,506)	(669,506)
Total Other comprehensive income for the				, , ,	· · ·
year	-	-	-	19,345,687	19,345,687
Addition/( deletion ) during the year					
Balance at the end of the reporting period i.e.					
31.03.2021	649,080	723,225,231	4,534,000	(5,357,312,938)	(4,628,904,627)

<sup>\*</sup> Represents remeasurements of defined benefit plan

## **Cash Flow Statement**

					(Amount in ₹)
	Particulars		Year ended 31.03.2021		Year ended 31.03.2020
•	CACH FLOW FROM ORFRATING ACTIVITIES		(Audited)		(Audited)
A)	CASH FLOW FROM OPERATING ACTIVITIES  Net Profit /(Loss) before Tax		19,345,687		(66,132,248)
	Adjustment for :		19,343,007		(66,132,246)
	Depreciation	16,801,934		19,216,142	
	Finance Cost	35,232,307		38,466,003	
	Remeasurements of the defined benefit plans A/c	669,506		(2,684,131)	
	Interest Received	(676,240)		(703,749)	
	(-) Profit/Loss on Sale of fixed assets	(89,637,919)		19,841,522	
	Lease Rent received	(1,915,317)		(3,800,660)	
	Share of (Profit) loss from Partnership firm	0		(4,279)	
	Unclaimed Liabilities / Balance Written Back	(3,793,739)	(43,319,468)	(9,016,778)	61,314,070
	Operating profit before working capital changes Adjustment for:		(23,973,781)		(4,818,178)
A-1	(Increase)/Decrease in inventories	(20,939,431)		30,405,133	
	(Increase)/Decrease in trade & other receivables	(11,731,269)		7,826,981	
	(Increase)/Decrease in loans & advances	(21,536,832)		(24,944,690)	
	Increase/(Decrease) in trade payables	9,034,780		(107,184,361)	
	Increase/(Decrease) unclaimed Liabilities / Balance W/Back	3,793,739		9,016,778	
	Increase/(Decrease) in other current liabilities	(13,949,660)		72,717,685	
	Increase/(Decrease) in provisions	318,241	(55,010,432)	(3,224,021)	(15,386,494)
	Net Cash from operating activities		(78,984,213)		(20,204,672)
B)	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of fixed assets	(3,450,603)		(1,744,507)	
	Sale of fixed assets	116,713,492		8,195,422	
	Sale/Revaluation of investments	251,381		(4,279)	
	Remeasurements of the defined benefit plans A/c	(669,506)		2,684,131	
	Interest Received	676,240		703,749	
	Lease Rent received	1,915,317		3,800,660	
	Share of loss from Partnership firm	0		4,279	
	Net Cash Used for Investing Activities		115,436,321		13,639,456
C)	CASH FLOW FROM FINANCING ACTIVITIES				
•	Borrowing	1,130,523		51,819,616	
	Lease rental paid	(4,628,133)		(6,242,302)	
	Interest paid	(30,604,174)		(36,910,500)	
	Net Cash Used from Financing Activities		(34,101,784)		8,666,814
	Net Increase in cash and cash collection (A+B+C)		2,350,324		2,101,598
	Cash & Cash Equivalents at the beginning of the year		6,150,962		4,049,364
	Cash & Cash Equivalents at the end of the year		8,501,286		6,150,962

Cash and Cash Equivalents shall comprise of:-		
Particulars	Amount in ₹	Amount in ₹
a. Balances with banks	6,448,235	3,673,185
b. Cash on hand	49,084	143,862
c. Fixed Deposit with banks (Other Bank Balances other than Cash and Cash Equivalents)	2,003,967	2,333,916
Total	8,501,286	6,150,963

As per our report of even date For BIPIN & CO. Chartered Accountants Firm Reg. No. 101509W

## For ROYAL CUSHION VINYL PRODUCTS LIMITED

JAYESH A MOTASHA Amit Shah MAHESH K SHAH (Partner) Chairman & Managing Director Director Membership No. 126337 00054351 00054236

UDIN: 21126337AAAAEF3514

DEEPTI PAREKH Place : VADODARA Date : 30-06-2021 Place : MUMBAI Company Secretary Date: 30-06-2021 ACS60978

# ROYAL CUSHION VINYL PRODUCTS LIMITED Notes to the Financial Statements for the year ended 31st March 2021

#### 1. CORPORATE INFORMATION:

Royal Cushion Vinyl Products Ltd. (RCVP) is an ISO 9001:2008 Certified Indian Company with its flooring concepts provides a full range of standard and customized flooring for commercial, residential, Transport and contract range as per the industries need and under the brand name "Royal House." Royal Cushion Vinyl Products Ltd. plant spread across 70 acres of land, at village Garadhia, District Vadodara Gujarat for manufacturing of Vinyl Floorings of different types for various end-users and Rigid Films.

## 2. SIGNIFICANT ACCOUNTING POLICIES TO FINANCIAL STATEMENTS:

#### 2.1 Basis for preparation of financial accounting

#### (i) Statement of Compliance

The financial statement of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified pursuant to–Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act together with the comparative period data as at and for the year ended March 31, 2018

#### (ii) Historical cost conversion

The Financial Statements have been prepared on historical cost conventions basis, except for the following:

- Certain financial instruments that are measured at fair value at the end of each reporting period;
- Defined benefit plans plan assets measured at fair value.

#### (iii) Current and Non-Current classification

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classifications of its assets and liabilities as current and non-current.

## 2.2 Use of estimates and assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statement

The company has consistently applied following accounting policies to all the period presented in these financial statements.

#### a) Property, plant and equipment

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its tangible assets recognized as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost of the transition date.

Free hold land is carried at cost and all other items of Property, Plant and Equipment are recorded at their cost of acquisition, net of taxes, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

Borrowing costs on Property, Plant and Equipment's are capitalized when the relevant recognition criteria specified in Ind AS 23 Borrowing Costs is met.

Significant spares which have a usage period in excess of one year are also considered as part of Property, Plant and Equipment and are depreciated over their useful life.

Decommissioning costs, if any, on Property, Plant and Equipment are estimated at their present value and capitalised as part of such assets.

An item of property, plant and equipment and any significant part initially recognised 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.

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

Subsequent cost is included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset, is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

## Depreciation:

The Company depreciated its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Companies Act 2013 for the proportionate period of use during the year. The depreciation on assets is provided on the straight-line method considering the useful life and residual value of respective asset. The residual values are not more than 5% of the original cost of the asset. Depreciation on assets purchased /installed during the year is calculated on a pro-rata basis from the date of such purchase /installation.

The useful life considered for calculation of depreciation for various asset class are as follows:

Particulars	Useful
	Life
Building (Factory)	30
Building (Residential)	30
Building (Fences, Wells, etc)	30
Plant and Machinery	15
Electrical Installations	15
Laboratory Equipment	15
Furniture	10
Office equipment	5
Vehicles - Four Wheeler	8

## b) Intangibles

Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses, if any. Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

De-recognition of intangible assets

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Gain or loss arising on such de-recognition is recognised in profit or loss and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

## c) Inventories

Raw Material are valued at lower of moving weighted average cost and net realizable value.

Finished goods are valued at lower of cost or net realizable value.

The cost of work in progress and finished goods comprises direct material, direct labour, other direct cost and related production overheads. Excise duty is included in the value of the finished goods.

Stores and spares, parts and components are valued at cost.

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.

## d) Impairment of non-financial assets

Assets subject to amortization are tested for impairment provided that an event or change in circumstances indicates that their carrying amount might not be recoverable. These are treated as impaired when the carrying cost thereof exceeds its recoverable value. Recoverable value is higher of the asset's net selling price or value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount receivable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

## e) Revenue Recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer 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 at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and taxes, revenue from sale of goods is recognized on transfer of significant risk and rewards of ownership of products to the customers, which is generally on dispatch of goods.

Revenue from job charges is recognized on completion of job work.

## Contract balances

#### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due a contract asset is recognized for the earned consideration that is conditional.

## Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

## Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract

## Dividend

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

#### Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal

outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### e) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of noncash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### f) Leases

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

## The Company as a lessee

The Company enters into an arrangement for lease of land, buildings, plant and machinery including computer equipment and vehicles. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to —

- a) control the use of an identified asset,
- b) obtain substantially all the economic benefits from use of the identified asset, and
- c) direct the use of the identified asset

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful life of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Company applies Ind AS 36 to determine whether an RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

## Company as a lessor-

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases. For leases under which the Company is an intermediate lessor, the Company accounts for the head-

lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

## g) Foreign Currency Transactions

On initial recognition, transactions in currencies other than the Company's functional currency (foreign currencies) are translated at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous period are recognised in profit or loss in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

#### h) Taxation

#### **Current Income Taxes:**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

## **Deferred Tax**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## MAT Credit:

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as a deferred tax asset only to the extent that there is reasonable certainty that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The MAT credit to the extent there is reasonable certainty that the Company will utilize the credit is recognised in the Statement of profit and loss and corresponding debit is done to the Deferred Tax Asset as unused tax credit.

## i) Employee Benefits

Short term employee benefits:

Employee benefits payable wholly within twelve months of rendering the service the service is classified as short-term employee benefits and are recognized in the period in which the employee renders the related service.

## Post-Employment benefits:

<u>Defined benefit plans</u>: All employees are covered under Employees' Gratuity Scheme, which is a defined benefit plan. The Company contributes to a fund maintained with Life Insurance Corporation of India (LIC) on the basis of the year-end liability determined based on actuarial valuation using the Projected Unit Cost Method. Re-measurement of the net defined benefit liability, which comprise actuarial gains/losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) are recognized in Other Comprehensive Income. Net interest expense and other expenses related to defined benefit plans are recognized in the Statement of Profit and Loss.

<u>Defined contribution plans:</u> All employees are covered under contributory provident fund benefit of a contribution of 12% of basic salary. Contributions to defined contribution scheme is charges to the Statement of Profit and Loss of the year, on due basis. There are no obligations other than the contributions payable to the respective funds.

<u>Long-term employee benefits</u>: Provision for long-term employee benefits comprise of compensated absences. There are measured on the basis of year-end actuarial valuation in line with the Company's rules for compensated absences. Remeasurement gains or losses are recognized in profit or loss in the period in which they arise.

## j) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets less interest earned on the temporary investment. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to Statement of Profit & Loss in the year in which they are incurred.

## k) Provisions and contingent liabilities

#### **Provisions**

The Company recognizes a provision when: it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

## Contingent Liability and Contingent Assets

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortization recognised in accordance with the requirements for revenue recognition.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

#### **Onerous Contract**

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognizes impairment on the assets with the contract.

## I) Earnings Per Share (EPS)

Basic earnings per Share is computed by dividing the net profit or loss for the year attributable to equity share holders, by the weighted average number of equity share outstanding during the period.

Diluted earning per share is computed by dividing the net profit or loss for the year attributable to equity shareholders, by the weighted number of equity and equivalent diluted equity shares outstanding during the year except where the results would be antidilutive.

## m) Government Grants

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. 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 deferred revenue in the balance sheet and transferred to profit or loss on a systematic basis over the expected useful life of the related asset.

## n) Cash and cash equivalents

Cash and cash equivalents include cash at bank and deposit with banks having original maturity of not more than three months. Bank deposit with original maturity period of more than three months but less than twelve months are classified as other bank balances.

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

## o) Investments in the nature of equity in subsidiaries, joint venture and associates

The Company has elected to recognise its investments in equity instruments in subsidiaries, joint venture and associates at cost in the separate financial statements in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

#### p) Financial Instruments

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

## Financial assets

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.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent measurement-

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

- i. Financial assets measured at amortized cost
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit or loss (FVTPL)
  - i. A financial asset that meets the following two conditions is measured at amortized cost.
- <u>Business Model test:</u> The asset is held within a business model whose objective is to hold assets for collecting contractual
  cash flows, and
- <u>Cash flow characteristics test:</u> 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.
  - ii. A financial asset that meets the following two conditions is measured at fair value through OCI:-
- <u>Business Model test:</u> The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- <u>Cash flow characteristics test:</u> The contractual terms of the instrument give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.
  - iii. All other financial assets are measured at fair value through profit and loss.

## **Equity instruments**

All equity instruments 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 subsequent changes in the fair value in OCI. 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, including foreign exchange gain or loss and excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit or loss.

## Derecognition-

A financial asset is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- 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.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset

## Impairment of financial assets-

In accordance with Ind AS 109, The company assesses impairment based on expected credit losses (ECL) model at an amount equal to: -

- 12 months expected credit losses, or
- Lifetime expected credit losses

depending upon whether there has been a significant increase in credit risk since initial recognition.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or any contractual right to receive cash or another financial asset.

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.

#### Financial liabilities-

Initial recognition and measurement-

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

## Subsequent measurement-

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

## Financial liabilities at fair value through profit or loss-

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or is designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred principally for the purpose of repurchasing in the near term or on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking. This category also includes derivative entered into by the Company that are not designated and effective as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

#### Derecognition-

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 derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

## Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognize amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## q) Fair Value Measurement

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the

measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

## r) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.

## s) Recent pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

#### (i) Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or noncurrent.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of
  arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of
  company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of
  benami property held etc.

## (ii) Statement of profit and loss:

• Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of consolidated financial statements.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

## 03: PROPERTY, PLANT & EQUIPMENT

	Land	Buildings	Plant & Equipment	Furniture & Fittings	Vehicle	Office Equipment	Total	Capital Work in progress
Cost								
As at March 31, 2019	4,807,771	68,663,785	155,456,476	1,355,120	467,311	4,362,166	235,112,629	3,992,328
dditions	-	-	54,500	-	-	480,000	534,500	1,210,00
Disposals	-	-	(26,837,827)	(305,897)	(469,583)	(423,638)	(28,036,945)	-
As at March 31, 2020	4,807,771	68,663,785	128,673,149	1,049,223	-2,272	4,418,528	207,610,184	5,202,33
Additions		-	568,430	-	-	32,490	600,920	60,000
Disposals	(1,180,355)	(14,690,884)	(9,039,137)	0	0	0	(24,910,376)	0
As at March 31, 2021	3,627,416	53,972,901	120,202,442	1,049,223	-2,272	4,451,018	183,300,728	5,262,33
Accumulated depreciation and impairment								
As at March 31, 2019	-	12,713,376	24,313,813	297,182	-10,274	942,607	38,256,705	
Depreciation for the year	-	4,205,446	8,894,625.18	99,864	-	460,784	13,660,719	
mpairment	-	-	-	-	-	-	-	
Disposals	-	-	-	-	-	-	-	
As at March 31, 2020	-	16,918,823	33,208,439	397,046	-10,274	1,403,391	51,917,423	
Depreciation for the year	-	3,229,767	8,907,256	99,864	-	465,772	12,702,659	
mpairment	-	-	-	-	-	-	-	
Disposals	-	_	-	-	-	_	-	
As at March 31, 2021	-	20,148,590	42,115,695	496,910	(10,274)	1,869,163	64,620,082	
Carrying amount								
As at March 31, 2019	4,807,771	55,950,408	131,142,663	1,057,938	477,585	3,419,559	196,855,924	3,992,328
As at March 31, 2020	4,807,771	51,744,962	95,464,710	652,177	8,002	3,015,137	155,692,761	5,202,335
As at March 31, 2021	3,627,416	33,824,312	78,086,747	552,313	8,002	2,581,854	118,680,646	5,262,335
	-,,	,,-	-,,-	/	-,	,, '	-,,	-,,
nvestment Property				(Amount <b>Land</b>		uilding	Total	
Cost				Land		ullullig	Total	
As at March 31, 2019				46,558	3,3	86,719	3,433,278	
Additions				-		-	-	
Disposals								
As at March 31, 2020				46,558	3,3	86,719	3,433,278	
Additions				-		-	-	
Disposals				-		-	-	
As at March 31, 2021 Accumulated depreciation an	d impairment			46,558	3,3	86,719	3,433,278	
accumulated depreciation an	As at March 31,	2019		_	552,8	53	552,853	
	Depreciation for th			_	185,79		185,795	
	Impairment			_	103,7	,,,	-	
	Disposals			_			-	
	As at March 31,	2020		-	738,64	10	738,648	
				_	185,79		185,795	
	Depreciation for th			-	103,7	,,	-	
	Impairment			-	-		-	
	Disposals As at March 31,	2021		-	924,44	13	924,443	
	As at Ivial CII 31,			-	324,4		J27,773	
Carrying amount								
As at March 31, 2019				46,558		33,867	2,880,425	
As at March 31, 2020				46,558	2,6	48,072	2,694,630	
As at March 31, 2021				46,558	2,4	62,277	2,508,835	
Right to Use Assets				م منامانی p		Forklift	Total	
Net carrying value as at Marc	h 31, 2019			Building -			Total -	
Reclassified on account of ad		6		4,958,887	10,5	89,708	15,548,595	
Additions during the year				-		-	-	
Deletion during the year				-		-	-	
Adjustments on account of me	odification (extensi	on/termination/ren	tal changes)	-		-	-	
				(2,833,650)	(2,1:	17,942)	(4,951,592)	
	h 31 2020			2,125,237	8,4	71,766	10,597,004	
	11 31, 2020					_	_	
	31, 2020			-				
let carrying value as at Marc	31, 2020			-		-	-	
Net carrying value as at Marc Additions during the year Deletion during the year		nsion/termination/re	ental changes)	2,789.683		-	- 2,789.683	
Net carrying value as at Marc Additions during the year Deletion during the year Adjustments on account of	modification (exter	nsion/termination/re	ental changes)	2,789,683 (1,638,307)	(2.1:	- - 17,942)	- 2,789,683 (3,756,248)	
Deletion during the year	modification (exten	nsion/termination/re	ental changes)	2,789,683 (1,638,307) <b>3,276,613</b>		- - 17,942) 5 <b>3,825</b>	- 2,789,683 (3,756,248) <b>9,630,438</b>	

## Notes on Financial Statements for the Year ended 31st March, 2021

04	.INVESTMENT-NON-CURRENT				(Amount in ₹ )
	Particulars	Units	As at 31st March,2021	Units	As at 31st March,2020
	Long Term Investment (at cost)		01		0100
Α	Investment in Shares				
	i) Unq <u>uoted : (Non Trade) in Equity</u>				
	Investment in Shares of Subsidiary Company:				
	4,50,200 Shares (PY.4,50,200) in Euro Royal Flor Limited	450,200	25,931,404	450,200	25,931,404
	(U.K.) of STG pound 1 (one) each fully paid up.				
	Less: provision for diminution in value of investment	450,200	25,931,404	450,200	25,931,404
		430,200	23,331,404	430,200	23,331,404
	20 000 (DV 20 000) equity shares in AD Care Itid		-		-
	30,000 (PY 30,000) equity shares in AB Corp Ltd	30,000	2,475,000	30,000	2,475,000
	of `10/- each fully paid up.				
	Less : Provision for Diminution in value of Investment	30,000	2,475,000	30,000	2,475,000
	5,010 (PY 5,010) shares in Swaminarayan Co-op Bank Ltd.	5,010	_	5,010	125,250
	of `25/- each fully paid up.	-,-		-,-	,
	12,500 (PY.12,500) shares in Baroda Peoples Co-op Bank	12,500	-	12,500	125,000
	Ltd of `10/- each fully paid up.				
	7,500 (PY.7,500) shares in Baroda City Co-op Bank Ltd.	7,500	75,000	7,500	75,000
	of `10/- each fully paid up.				
	1,416 (PY.1,000)shares in Saraswat Co-op Bank Ltd.	1,416	20,830	1,416	20,830
	of `10/- each fully paid up. (Converted into 416 shares of Saraswat Coop bank ltd. Against 1083 shares of Mandvi Co-op Bank ltd.)				
В	Government Securities				
	National Saving Certificates				
	( Pledged with Government Authorities )		2,000		2,000
С	Investment by way of capital in a partnership firm				
	Creative Investment				
	Total		1,675,346		1,676,477
			1,773,176		2,024,557
	Particulars		As at 31 <sup>st</sup> March,2020		As at 31st March,2020
	Aggregate amount of unquoted investments		28,502,234		28,752,484
	Aggregate Provision for the diminution in Value of investments		28,406,404		28,406,404

**4.1)** The Company has made an investment of ₹.25,931,404 (£ 450.200) in Euroroyal Floors Ltd.( "ERF") wholly owned subsidiary in U.K.The subsidiary also owes ₹ 233,375,543 ( Net of commission payable ₹ 10,619,234 ) towards supply of goods made to it. The principal customers of ERF in Russia did not honor the debts, Due to this ERF in turn, could not pay its creditors. The Company has been informed by the ex-local Directors of ERF that one of the creditors had filed a suit for winding-up of ERF pursuant to which the High Court of Justice of U.K.made a winding-up order dated 11th June,2001 against ERF and the official receiver has been appointed to liquidate the assets of ERF. Thereafter order dated 12/03/2002 was passed and ERF is dissolved Under the circumstances , the Management had provided for diminution in value of investment made in ERF in the year 2000-01.As also, provision against the debt of ₹ 233,375,543 due from ERF had been made during the earlier year.

ΛE	OTLLED	EINIANCIAI	ASSETS-CURRENT
UJ.	UIDEN	TINANCIAL	AJJE I J-LUNNEINI

Particulars	As at 31st March,2021	As at 31st March,202
Deposits	9,530,379	9,918,37
Total	9,530,379	9,918,37
06. INVENTORIES		
Particulars	As at 31st March,2021	As at 31st March,202
Raw materials	25,929,403	19,084,27
Work-in-progress	40,380,188	45,744,49
Finished goods	38,060,457	21,201,18
Packing Materials	2,626,084	1,844,64
Consumable Stores	9,062,455	7,259,92
Fuel	51,584	36,20
Total	116,110,171	95,170,74
07. TRADE RECEIVABLES		
Particulars	As at	As
	31st March,2021	31
	·	March,202
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	1,845,161	8,411,443
Considered Doubtful	234,574,220	234,574,220
	236,419,381	242,985,663
Less : Provision for Doubtful Debts	234,574,220	234,574,220
	1,845,161	8,411,44
Others (Considered good)	25,431,521	7,133,97
Total	27,276,682	15,545,41
08. CASH AND CASH EQUIVALENTS		
Particulars	As at	As
	31st March,2021	31
		March,202
a. Balances with banks	6,448,235	3,673,1
b. Cash on hand Total	49,084 <b>6,497,319</b>	143,86 <b>3,817,0</b> 4
		3,617,0
09.BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		Λο.
Particulars	As at 31st March,2021	As 31
	3250 311,2021	March,202
Fixed Deposit with banks	2,003,967	2,333,93
Total	2,003,967	2,333,9
Fixed deposit of ₹ 20,03,967 (P.Y.₹ 23,33,916) , held as security de	posit against Bank Guarantee.	
10. LOANS-CURRENT		
Particulars	As at	As
	31st March,2021	31
		March,202
Advances to Englished	928,605	249,10
Advances to Employees	320,003	•

# 11. OTHER CURRENT ASSETS (Unsecured, considered good)

Particulars	As at	As at
	31st March,2021	31st March,2020
Prepaid Expenses	511,146	206,675
Advances to Suppliers	4,072,974	966,014
Balance with Government authorities (ref note no.40)	47,631,068	28,695,909
Total	52,215,188	29,868,599

## 12. SHARE CAPITAL

Particulars	As at	As at
	31st March,2021	31st March,2020
Authorised: 30,000,000 (Previous year 30,000,000)		
Equity Shares of ₹ 10/- each	300,000,000	300,000,000
Issued, Subscribed & Paid up 12,067,212		
( Previous Year 12,067,212) Equity Shares of ₹ 10/- each fully		
paid up	120,672,120	120,672,120
Total	120,672,120	120,672,120

## 12.1) Rights of Equity Shareholders

The Company has only one class of equity share of ₹ 10/- per share, Each Share holder of equity shares is entitled to one vote per share.

12.2) Reconcillation of the Shares outstanding and amount of share capital

Particular	As at March 31, 2021		As at March 31, 2020	
	Numbers	₹	Numbers	₹
Shares outstanding at the beginning of the year	12,067,212	120,672,120	12,067,212	120,672,120
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	12,067,212	120,672,120	12,067,212	120,672,120

12.3) Details of Shareholders holding more than 5% shares.

		As at March 31, 2021		As at March 31, 2020	
Part	icular	No.of Shares held	% of	No.of Shares held	% of
			Holding		Holding
1	Bhaktavatsala Trading & Consultancy Services	10,35,210	8.58	10,35,210	8.58
	LLP				
2	Sahishnu Trading & Consultancy Services LLP	7,09,340	5.88	7,09,340	5.88
3	Shreedaha Trading & Consultancy Services LLP	7,09,300	5.88	7,09,300	5.88
4	Sughosh Trading & Consultancy Services LLP	7,09,310	5.88	7,09,310	5.88
5	Trilokatma Trading & Consultancy Services LLP	10,35,210	8.58	10,35,210	8.58
6	Lapada (Mauritius) Limited	28,80,000	23.87	28,80,000	23.87

## 13.OTHER EQUITY

Particulars	As at 31st Marc	ch,2021	As at 31st March,2020
a. CAPITAL RESERVE Opening Balance	649,080	649,080	
Addition  Deduction	- -	- -	
Closing Balance		649,080	<b>-</b> 649,080
b. SECURITIES PREMIUM RESERVE			
Opening Balance Addition	723,225,231 -	723,225,231	
Deduction	-	-	
Closing Balance	723,	225,231	723,225,231
c. INVESTMENT ALLOWANCE RESERVE			
Opening Balance Addition	4,534,000	4,534,000	
Deduction	-	-	
Closing Balance	4,	534,000	4,534,000
d. SURPLUS/DEFICIT IN THE STATEMENT OF			
Opening Balance Remeasurement of defined benefits plans Add: profit/(loss) of the year	-5,376,658,625 -669,506 	-5,310,526,377 2,684,131 -68,816,379	_
Closing Balance	-5,357	312,938	-5,376,658,625
Total	-4,628,9	04,627	-4,648,250,314

## Nature and Purpose of each reserve

- a) Capital reserve During amalgamation, the excess of net assets taken, over the consideration paid, if any, is treated as capital reserve.
- b) Securities premium reserve The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. This reserve is utilised in accordance with the provisions of the Companies Act 2013.
- c) Investment allowance reserve Investment Allowance Reserve was created under the provisions of Income tax , when new machineries were purchased.

#### 14. BORROWING

		As at	As at
Particulars		31st March,2021	31st March,2020
		Non Current	Non Current
Secured		Hon current	Hon carrent
	From Banks :	5,251,247	15,627,919
	Loans from Financial Institutions :	2,347,044,523	2,374,262,936
	Secured by way of first charge on movable & immovable	2,347,044,323	2,374,202,330
	properties presents & future		
	and further secured by personal guarantee of promotor directors		
	of the Company.		
	Loan from Others	570,384,520	573,058,232
Unsecured			
	From Banks	-	-
	From Companies	122,664,763	66,276,253
	From Directors	58,563,419	73,052,609
	From Others	233,042,518	233,542,518
Total		3,336,950,990	3,335,820,467

## 14.1

- (a) As in the past, in current year also, due to non-receipt of the statements / advices / balance confirmation certificates from the financial institutions / banks, book entries pertaining to banks and financial institutions, the balances could not be reconciled. Further, in absence of such details and information, the amount payable also could not be estimated or ascertained. Thus, bank balances and balances of such financial institutions as on 31.03.2021 are subject to adjustments, if any, to be carried out on receipt of the relevant statements / advices / balance confirmation certificates from banks/ financial institutions.
- (b) The original lenders of the Company namely IDBI, Bank of India, Oriental Bank of Commerce and EXIM Bank had assigned their dues to Asset Reconstruction Company of India Limited ('ARCIL') in the year 2006-07 and thereafter ARCIL assigned its rights in dues of the Company to SICOM Limited in the year 2011-12. During the financial year 2017-18, SICOM Limited assigned its rights in the dues outstanding from the Company to Finquest Financial Solutions Private Limited ('Finquest'). Similarly, during the financial year 2017-18, Saraswat Co-op Bank Ltd. assigned its rights in the dues outstanding from the Company to Finquest. Therefore, the outstanding loan balance of all these original lenders have been presented to the credit of Finquest. The Company has not provided interest on loan outstanding to the credit of Finquest. Similarly, the Company has not provided interest on loan outstanding of Baroda City Co-op Bank, as the Company has already given one-time settlement proposal to bank. Had the Company provided interest as per practice followed in earlier years, loss would have been higher by ₹. 1311.63 lacs (P.Y.₹ 1319.34 lacs). Further, during the year the Company had done one-time settlement for outstanding dues with Gujarat State Financial Corporation, Swaminarayan Co-op Bank, Baroda Peoples Co-op Bank and Panchmahal District Co-op Bank.
- (c) The Directors of the Company along with their family members and group companies/associates have arranged loans from Deutsch Bank (DB) and Capital First Limited (CFL) by giving their personal property as collateral security. These loans are released by DB and CFL to Natroyal Industries Private Limited ('NIPL'). Pursuant to the arrangement / understanding between NIPL, Directors, associates and the Company, the said loan amount were transferred by NIPL to the Company and the Company has treated the same as Loan from NIPL. The installments including interest is paid on the said Loan by the Company. The principal loan repayment amount is debited to NIPL Loan Account and interest thereon is debited to interest account in the Company's Books of Accounts. The loan outstanding as on 31.03.2021 for DB is ₹ 1147.03 lacs and CFL is ₹ 1166.52 lacs.

## Notes on Financial Statements for the Year ended 31st March, 2021

15. PROVISION –NON -CURRENT		
	As at	As at
Particulars	31st	31st
	March,2021	March,2020
Provision for Employee Benefits		
Provision for Gratuity	16,251,581	14,673,822
Provision for Leave Benefits	2,527,854	2,200,100
Provision for Customs duty including interest	568,394,779	568,394,779
Total	587,174,214	585,268,701

**15.1)** Under the Duty Exemption Scheme of Advance License ( as well as similar other license scheme) pursuant to Import & Export Policy of Government of India,duty free imports of raw materials are permitted and they are required to be used in manufacturing of goods for export,as well as, export of goods has to be effected within the time allowed, in terms of the scheme. The Company has availed of such licenses from time to time. In the past, it had fulfilled its export obligations. The Company had imported duty free raw material under certain licenses, however it could not effect export within the time allowed due to circumstances beyond the control of the Company. The Company has evaluated its obligations under the scheme and it has been advised that in view of non fulfillment of export obligations, the authorities can recover the import duty and mandatory interest thereon. From 01.04.2014 the Company has stopped providing interest on custom duty liability. Had the company provided interest as per practice followed in earlier years, loss would have been higher by ₹ 278.66 lacs and reserve and surplus would have been lower to that extent during the year.

**15.2**) BIFR's Order dated 11/06/2015 includes various reliefs from DFGT such as extension of Export Obligation Period, Waiver of Penalties and also refund from Customs against Advance Licenses and EPCG Licenses once the export obligation is extended and completed. The company has already got extension of export obligation for various Licenses and is in the process of getting extension of Export Obligation of Advance Licenses and EPCG Licenses. In the year 2000, 2001 and 2006, the Customs Dept. has encashed Bank Guarantees provided by Union Bank of India and Global Trust Bank. The total amount of these Guarantees is ₹ 4.35 Crores. The company is in the process of consolidating all the documents and will file the claim with Customs Dept. for refund of the Bank Guarantees amount etc. As the application is yet to be filed, this amount is not shown as "Receivable" in the Balance Sheet.

#### **16.TRADE PAYABLES**

Dankianlana	As at	As at	
Particulars	31st March,2021	31st March,2020	
Micro & Small Enterprises ( Ref Note No.37)	69,306,659	8,576,805	
Others	784,759,628	836,454,703	
Total	854,066,287	845,031,508	

## 17. OTHER CURRENT LIABILITIES

Particulars	As at	As at	
Particulars	31st March,2021	31st March,2020	
(a) Advance from Customers	78,031,836	72,327,783	
(b) Statutory Liabilities	5,458,561	5,548,330	
(c) Other Liabilities	1,100,000	20,663,944	
Total	84,590,397	98,540,057	

## 18. PROVISIONS - CURRENT

Deutinden.	As at	As at	
Particulars	31st March,2021	31st March,2020	
( a ) Provision for Gratuity	439,084	1,796,270	
(b) Provision for Leave Benefits	418,550	648,636	
Total	857,634	2,444,906	

Particulars	for the year ended 31st March,2021	for the year ended 31st Mar,2020
19. REVENUE FROM OPERATION		
Sales of Products	604,800,249	622,441,747
	604,800,249	622,441,747
Other Operating Revenue		
Sale of Scrap	4,864,124	2,424,117
	4,864,124	2,424,117
Total	609,664,373	624,865,864
19.1)		
,	for the year ended	for the year ended
Particulars	31st March,2021	31st Mar,2020
DETAILS OF TURNOVER :		
PVC Floor Covering	573,973,230	622,441,747
PVC Leather cloth	30,827,019	-
Total	604,800,249	622,441,747
20. OTHER INCOMES		
Interest	676,240	703,749
Govt.Grant received (refer note no.40)	33,556,388	87,482,676
Income Tax Refund	· · · · -	286,915
Unclaimed Liabilities /Provision / Balance Written Back	3,793,739	9,016,778
Lease Rent	1,915,317	3,800,660
Profit on sale of Fixed assets (refer note no.44)	89,637,919	-
Share of profit from Partnership firm		4,279
Total	129,579,603	101,295,058

**20.1)** Unclaimed Liabilities/Balances written back represents balances of various suppliers, advances from customers, balances of banks and financial Institutions etc. Which are no longer payable, have been written back.

21. COST OF MATERIAL CONSUMED		
Opening Stock	19,084,271	18,768,906
Purchases	525,428,980	479,684,561
	544,513,251	498,453,467
Less: Closing Stock	25,929,403	19,084,271
Total	518,583,848	479,369,196

**21.1)** Value of Consumption of directly imported and Indigenously obtained Raw material & the percentage of each to the total.

RAW MATERIAL CONSUMED	Amount	%	Amount	%
Imported	1,641,761	0.32	2,332,181.00	1.00
Indigenous	516,942,087	99.68	477,037,015.00	99.00
Total	518,583,848	100.00	479,369,196.00	100.00

RAW MATERIAL CONSUMED	Amount	Amount	
PVC Resin	247,606,682	229,229,730	
Plasticizers	100,280,612	98,798,133	
Others	170,696,554	151,341,333	
Total	518,583,848	479,369,196	

22. CHANGES IN INVENTORIES OF FINISHED GOODS		
Work-In-Progress		
Opening Stock		
Finished Goods	21,201,188	55,367,504
Work-in-process	45,744,496	40,608,160
Lave Cherter Chert	66,945,684	95,975,664
Less: Closing Stock Finished Goods	29 060 457	21 201 100
Work-in-process	38,060,457 40,380,188	21,201,188 45,744,496
Work-III-process	78,440,645	66,945,684
Total	(11,494,961)	29,029,980
22.1) DETSILS OF INVENTORY OF FINISHED GOODS	Amount	Amount
PVC Floor Covering	38,060,457	21,201,188
Total	38,060,457	21,201,188
23. EMPLOYEES BENEFITS EXPENSE		
Salaries	46,315,213	55,102,049
Contribution to Provident Fund and Other Funds	2,727,526	3,683,759
Gratuity	1,963,482	2,142,625
Staff Welfare	570,759	1,668,553
Total	51,576,980	62,596,985
24. FINANCE COSTS		
Interest on long term borrowings	33,715,959	32,886,019
Ineterst on Lease Liabilities	1,251,141	1,555,502
Bank Charges	265,207	4,024,482
Total	35,232,307	38,466,003
25. OTHER EXPENSES		
Consumption of stores and spares	7,646,330	7,687,338
Consumption of packing material	18,739,333	21,632,842
Power and fuel	46,471,997	77,684,790
Lease Rent	213,340	285,570
Rates and taxes	2,107,702	1,437,345
Insurance	1,478,200	1,964,175
Electricity Charges	818,385	1,188,127
Repairs and maintenance		
- Plant and machinery	5,571,000	3,248,012
- Buildings	153,313	24,199
- Others	98,608	56,778
Design & Development	467,006	788,006
Machine Operating Charges	4,865,733	3,424,702
Services and maintenance	2,816,543	7,163,006
Advertising and sales promotion	125,969	366,827
Travelling and conveyance	207,602	612,316
Telephone Expense	339,866	436,280
Vehicle Expense	2,594,640	2,969,388
Legal and professional fees	5,009,127	6,430,432
Payment to auditor		
- Audit fees	227,400	227,400
- Tax Audit fees	30,000	33,000
- Certification Work	7,500	20,000
Share of loss from Partnership firm	1,131	-
Loss on sale of Fixed assets/Assets Written off	-	19,841,522
Freight and forwarding charges Outward	319,486	1,930,112
Miscellaneous expenses	8,218,464	6,142,262
Bad debts w/off	<del>-</del>	704,565
Total	108,528,675	166,298,994

## Notes on Financial Statements for the Year ended 31st March, 2021

Note 26 - Categories of Financial Instruments and Fair Value Hierarchy

		As at 31-03-2021		
	Amount	Level 1	Level 2	Level 3
Financial Assets				
Classified as Fair value through Profit & Loss				
Investments :-				
In Equity Instruments (Unquoted)	95,830	-	-	95,830
Classified as Amortised Cost				
Investment in Partnership firms	1,675,346	-	-	-
Govt. Securities	2,000	-	-	-
Trade Receivables	27,276,682	-	-	-
Loans	928,605	-		-
Cash and cash equivalents	6,497,319	-		-
Bank Balances other than Cash and Cash	2,003,967			-
Equivalents				
Security Deposit	9,530,379			-
Total Financial Assets	48,010,128	-	-	95,830
Financial Liabilities				
Classified as Amortised Cost				
Borrowings	3,336,950,990	-		
Trade payables	854,066,287	-		
Other Financial Liability	-	-		
Total Financial liabilities	4,191,017,277	-	-	-
		As at 3	1-03-2020	
	Amount	Level 1	Level 2	Level 3
<u>Financial Assets</u>				
Classified as Fair value through Profit & Loss				
Investments :-				
In Equity Instruments (Unquoted)	346,080	-	-	346,080
Classified as Amortised Cost				
Investment in Partnership firms	1,676,477	-	-	-
Govt. Securities	2,000	-	-	-
Trade Receivables	15,545,413	-	-	-
Loans	249,100	-		-
Cash and cash equivalents	3,817,047	-		-
Bank Balances other than Cash and Cash	2,333,916			-
Equivalents				
Security Deposit	9,918,379			-
Total Financial Assets	33,888,412	-	-	346,080
<u>Financial Liabilities</u>				
Classified as Amortised Cost				
Borrowings	3,335,820,467	-		
S .				
Trade payables	845,031,508	-		

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, it has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

**Level 2:** Such inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset and liability, either directly or indirectly.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximates the fair value because there is wide range of possible fair value measurements and the costs represents estimate of fair value within that range.

The Management considers that the carrying amount of financials assets and financial liabilities carried at amortised cost approximates their fair values.

## Note 27 - Financial Risk Management

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

## A) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations.

## a) Cash and Cash Equivalents

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 reviewed by the Board. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

#### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Company's reputation. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank overdrafts, bank loans, debentures and inter-corporate 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.

## The table below provides details regarding the contractual maturities of significant financial liabilities:

(Amount in ₹)

			For the y	rear ended 31.03.2021
Particulars	Less than 1 Year	1-5 Years	above 5yrs	Total
Borrowings	3,128,234,271	148,800,035	59,916,683	3,336,950,990
Trade payables	854,066,287	-	-	854,066,287
Other financial	84,590,397	-	-	84,590,397
liabilities				
Total	4,066,890,956	148,800,035	59,916,683	4,275,607,674
			For the y	rear ended 31.03.2020
Particulars	Less than 1 Year	1-5 Years	above 5yrs	Total
Borrowings	3,118,766,558	132,355,260	84,698,649	3,335,820,466
Trade payables	845,031,508	-	-	845,031,508
Other financial	98,540,057	-	-	98,540,057
liabilities				
Total	4,062,338,123	132,355,260	84,698,649	4,279,392,032

#### Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to commodity prices and the market value of its investments.

## Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. 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 debt obligations with floating interest rates.

Define Benefit Plans as per actuarial valuation under Ind AS 19 period of

**Note 28 - EMPLOYEE BENEFIT PLANS** 

(all figures in Indian Rupees)
Annexure 'A' GRATUITY

	better Flans as per actualiar valuation under the AS 15 period of		
	accounting		
	Valuation Result as at	31.03.2021	31.03.2020
I	Changes in present value of obligations		
	PVO at beginning of period	16,470,092	18,704,849
	Interest cost	1,037,944	1,355,439
	Current Service Cost	925,538	787,186
	Past Service Cost- (non vested benefits)	-	-
	Past Service Cost -(vested benefits)	-	-
	Benefits Paid	(2,412,415)	(1,693,251)
	Contributions by plan participants	-	-
	Business Combinations	-	-
	Curtailments	-	-
	Settlements	-	-
	Actuarial (Gain)/Loss on obligation	669,506	(2,684,131)
	PVO at end of period	16,690,665	16,470,092
П	Interest Expenses		
	Interest cost	1,037,944	1,355,439
Ш	Fair Value of Plan Assets		
	Fair Value of Plan Assets at the beginning	-	-
	Interest Income	-	-
IV	Net Liability		
	PVO at beginning of period	16,470,092	18,704,849
	Fair Value of the Assets at beginning report	-	-
	Net Liability	16,470,092	18,704,849
V	Net Interest		
	Interest Expenses	1,037,944	1,355,439
	Interest Income	-	-
	Net Interest	1,037,944	1,355,439
VI	Actual return on plan assets	-	-
	Less Interest income included above	-	-
	Return on plan assets excluding interest income	-	-
VII	Actuarial (Gain)/loss on obligation		
	Due to Demographic Assumption*	-	-
	Due to Financial Assumption	554,533	(1,231,810)
	Due to Experience	114,973	(1,452,321)
	Total Actuarial (Gain)/Loss	669,506	(2,684,131)

\*This figure does not reflect interrelationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience

-	Accounting Disclosures Statement		Annexure 'A' GRATUITY
	Period of accounting	31.03.2021	31.03.2020
-	Fair Value of Plan Assets		
	Opening Fair Value of Plan Asset	-	-
	Adjustment to Opening Fair Value of Plan Asset	-	-
	Return on Plan Assets excl. interest income	-	-
	Interest Income	-	-
	Contributions by Employer	2,412,415	1,693,251
	Benefits Paid	(2,412,415)	(1,693,251)
	Fair Value of Plan Assets at end	-	-
	Past Service Cost Recognized		
	Past Service Cost- (non vested benefits)	-	-
	Past Service Cost -(vested benefits)	-	-
	Average remaining future service till vesting of the benefit	-	-
	Recognized Past service Cost- non vested benefits	-	-
	Recognized Past service Cost- vested benefits	-	-
	Unrecognized Past Service Cost- non vested benefits	-	-
	Amounts to be recognized in the balance sheet and statement of profit & loss account		
	PVO at end of period	16,690,665	16,470,092
	Fair Value of Plan Assets at end of period	(16 600 665)	(4.0.470.000)
	Funded Status Net Asset/(Liability) recognized in the balance sheet	(16,690,665) (16,690,665)	(16,470,092) (16,470,092)
	Environmental in the state west of D.O. L.A./O		
	Expense recognized in the statement of P & L A/C	025 520	707 100
	Current Service Cost Net Interest	925,538	787,186
	Past Service Cost- (non vested benefits)	1,037,944 -	1,355,439
		-	-
	Past Service Cost -(vested benefits)		
	Curtailment Effect	-	-
	Settlement Effect  Unreaggied Pack Service Cost, non-vested handfits	-	-
	Unrecognised Past Service Cost- non vested benefits Actuarial (Gain)/Loss recognized for the period	-	-
	Expense recognized in the statement of P & L A/C	1,963,482	2,142,625
	Expense recognized in the statement of the Expense	1,505,402	Annexure 'A' GRATUITY
	Accounting Disclosures Statement	21 02 2021	31.03.2020
	Period of accounting Other Comprehensive Income (OCI)	31.03.2021	31.03.2020
	Actuarial (Gain)/Loss recognized for the period	669,506	(2,684,131)
	Asset limit effect	-	(2,004,131)
	Return on Plan Assets excluding net interest	_	-
	Unrecognized Actuarial (Gain)/Loss from previous period	-	-
	Total Actuarial (Gain)/Loss recognized in (OCI)	669,506	(2,684,131)
	Movements in the Liability recognized in Balance Sheet		
	Opening Net Liability	16,470,092	18,704,849
	Adjustment to opening balance	-	-, -, -, -
	Expenses as above	1,963,482	2,142,625
	Contribution paid	(2,412,415)	(1,693,251)
	Other Comprenehsive Income(OCI)	669,506	(2,684,131)
	Closing Net Liability	16,690,665	16,470,092
	Schedule III of The Companies Act 2013		
	Current Liability	439,084	1,796,270
	·	•	, ,
	Non-Current Liability	16,251,581	14,673,822

XVI	<u>Asset Information</u>	Target Allocation	
	Not Applicable as the plan is unfunded.		
XVII	Assumptions as at	31.03.2021	31.03.2020
	Mortality	IALM (2012-	IALM (2006-08) Ult.
		14) Ult.	
	Interest / Discount Rate	6.32%	6.80%
	Rate of increase in compensation	8.00%	8.00%
	Annual increase in healthcare costs		
	Future Changes in maximum state healthcare benefits		
	Expected average remaining service	9.89	9.80
	Retirement Age	58 Years	58 Years
	Employee Attrition Rate	Age: 0 to 40	Age: 0 to 40 : 3%
		: 3%	
		Age: 41 to	Age: 41 to 50 : 2%
		50 : 2%	
		Age: 51 to	Age: 51 to 58 : 1%
		58 : 1%	

XVII Sensitivity Analysis

	ER: Salary Escalation Rate		DR: Discount Rat	
	PVO ER +1%	PVO ER -1%	PVO DR +1%	PVO DR -1%
PVO	17,809,774	15,675,332	15,568,795	17,951,647

**XIX Expected Payout** 

Year	Expected Outgo First	Expected Outgo Second	Expected Outgo Third	Expected Outgo Fourth	Expected Outgo Fifth
Payouts	439,084	932,851	1,231,330	2,167,326	1,590,358

**XX Asset Liability Comparisons** 

<u> </u>					
Year	31-Mar-2017	31-Mar-2018	31-Mar 2019	31-Mar-2020	31-Mar-2021
PVO at end of period	21,909,912	17,850,001	18,704,849	16,470,092	16,690,665
Plan Assets	-	-	-	-	-
Surplus/(Deficit)	(21,909,912)	(17,850,001)	(18,704,849)	(16,470,092)	(16,690,665)
Experience adjustments on plan assets	-	-	-	-	-
Weighted average remaining duration of		7.36			
Defined Benefit Obligation					

## Note 29 - Capital management

The company's objectives when managing capital are to:

- > Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- > Maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on the face of the financial statements. The Company's objective for capital management is to maintain an optimum overall financial structure.

Consistent with others in the industry, the group monitors capital on the basis of the following gearing ratio:

(Amount in ₹)

Particulars	31.03.2021	31.03.2020
Gross Debt	3,336,950,990	3,335,820,467
Less: -		
Cash and Cash Equivalent	6,497,319	3,817,047
Other Bank Balance	2,003,967	2,333,916
Net debt (A)	3,328,449,704	3,329,669,504
Total Equity (B)	(4,508,232,507)	(4,527,578,194)
Net debt to equity ratio	-0.74	-0.74

## Note 30 - Segment Reporting

The company is engaged in manufacture of PVC products (PVC Laminated Sheet/Tiles, PVC Leather Cloth). Based on the information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and

assessment of performance, there are no reportable segments in accordance with the requirements of Indian Accounting Standard 108-'Operating Segment Reporting', notified under the Companies (Indian Accounting Standards) Rules, 2015.

## Note 31 - Related Party transactions

NAME OF RELATED PARTIES AND RELATIONS
(A) SUBSIDIARY COMPANY
a) Euro royal Floors Ltd.

#### (B)ASSOCIATES CONCERN

- a) Natroyal Industries Pvt.Limited
- b) Sughosh Trading & Consultancy Services LLP
- c) Trilokatma Trading & Consultancy Services LLP
- d) Shreedaha Trading & Consultancy Services LLP
- e) Shreeshaha Trading & Consultancy Services LLP f) Bhaktavatsala Trading & Consultancy Services LLP
- g) Trilokesh Trading & Consultancy Services LLP
- h) Lokwami Trading & Consultancy Services LLP
- i) Sahishnu Trading & Consultancy Services LLP

#### (C) KEY MANAGERIAL PERSONNEL

- a) Mahesh K Shah (Chairman & Managing Director)
- b) Jayesh Motasha (Non Executive Director)
- c) Nivedita Juvatkar (Company Secretary)

#### (D) BOARD DIRECTORS

- a) Mahesh K Shah (Chairman & Managing Director)
- b) Jayesh Motasha (Non Executive Director)
- c) Harsha Shah
- d) Avani Pandit

#### 2.RELATED PARTY TRANSACTIONS

Sr.	Nature of Transaction	2020-21			2019-20	
		Subsidiary	Associates	<b>Key Management</b>	Subsidiary	Associates
1	Sales of Finished Goods #	-	606,236,264	-	-	648,796,147
2	Purchase of Raw materials #	-	361,482,008	-	-	514,062,540
3	Sales of Fixed Assets		801,704			
4	Remuneration	-	-	1,179,351	-	-
5	Lease Rent received		2,260,958			3,800,660
6	Loan Received ##	-	-	-	-	-
7	Repayment of Loan (Ref. Note no. 14.1 (C)	-	11,619,415	-	-	16,764,377
8	Loan Payable	-	740,831,147	-	-	806,600,750
9	Trade Payable	-	561,140,362	-	-	559,962,494
10	Trade Receivable *	233,375,543	-	-	233,375,543	-

## Disclosure in respect of material related parties' transactions during the year

- \* In respect of above parties, there is no provision for doubtful debts as on 31st Mar. 2021, except ₹ 233,375,543 provided in respect of due by the Subsidiary Company in earlier year.
- # Material/Goods/Fixed Assets sold and lease rent received to/from Natroyal Industries Pvt.Ltd. ₹ 609,298,926 (P.Y.₹ 648,796,147)
- # Material Purchase from Natroyal Industries Pvt.Ltd. ₹ 361,482,008 (P.Y.₹ 514,062,540)
- \*\*The High Court of Justice of U.K. made a winding -up order dated 11th June, 2001 against Euroroyal Flor Ltd and the official receiver has been appointed to liquidate the assets of ERF. Thereafter order dated 12/03/2002 was passed and Euroroyal Floor Ltd is dissolved. Further full provision has been made towards receivable of ₹ 23,33,75,543/- from Euroroyal Floor Ltd in earlier years.

Note 32 - Contingent Liabilities

		(Amount in ₹ )
Particulars	As at	As at
Particulars	31.03.2021	31.03.2020
Claims against the Company not acknowledged as debts	458,664,195	458,664,195
Liabilities disputed -appeals filed with respect to CEGATE, Mumbai:	2,105,053	2,105,053
Sales tax on account of rebate / classification	-	-
Excise duty on account of valuation / cenvat credit / service tax	1,297,378	998,783
Custom duty Liabilities disputed -CESTA appeals filed with respect to Tribunal Mumabi/Vadodara	929,617	-
Income tax on account of disallowances / additions	4,662,473	4,662,473
Penalty Impose by FERA & disputed by Company	10,000,000	10,000,000

## Note 33 - Earnings per Share

Basic 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. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	2020-21	2019-20
<ul> <li>a. Net Profit/(loss) after Tax available for equity shareholders (`)(₹)</li> <li>b. Number of Equity Shares of `10/-each outstanding during the year (Nos.</li> </ul>	20,015,193	(68,816,379)
of Shares)	12,067,212	12,067,212
c. Basic/ Diluted Earnings Per Share (`a/b)(₹)	1.66	(5.70)

Note 34 - Below is the table showing fair value of Investment Property

Inve	stment Property:	31.03.2021	31.03.2020
i	Amounts recognised in profit or loss for investment properties Rental income	1,915,317	3,800,660
	Direct operating expenses from property that generated rental income		-
	Depreciation	-185,795	-185,795
	Profit from Investrment Property	1,729,522	3,614,865
iii	Fair value Estimation of fair value: Method of Estimation	38,571,900	38,571,900
	We have used the prevailling market rate for the purposes of arriving at the fair value of land and buildings.		

**Note 35-** The Company is a partner in M/s.Creative Investment, the details of the partners, their share in profit / loss and total capital of the partners of the firm as on 31.03.2021 are as under.

Sr.	a) Name of Partners	Share
i	Shri Jay Shah	46.25%
ii	Shri Vivek Motasha	46.25%
iii	M/s. Royal Cushion Vinyl Products Ltd.	7.50%
		100.00%

- b) The total Capital of the Partners is ₹ 24,32,841 (net)
- c) The above details about investment and names of partners are based on the information, certified by a partner.

## Note -36 Leases

The following is the movement in lease liabilities	(Amount in ₹ )
Lease commitments as at 31 March 2019	-
Transition impact	18,289,064
Addition during the period	-
Finance cost accrued during the period	1,555,503
Adjustments on account of modification	-
(extension/termination/rental changes)	
Payment of lease liabilities	(6,242,302)
Lease commitments as at 31 March 2020	13,602,264
Addition during the period	-
Finance cost accrued during the period	1,251,139
Adjustments on account of modification	624,480
(extension/termination/rental changes)	
Payment of lease liabilities	(4,940,000)
Lease commitments as at 31 March 2021	10,537,884

b) Maturity Analysis of Lease Liabilities		(Amount in ₹ )
	31st March, 2021	31st March, 2020
Maturity Analysis - Contractual undiscounted Cash Flows		
Less than one year	4674000	5,789,622
One to five years	7374000	10,402,800
More than five years	0	=
Total Undiscounted Lease Liabilities	12,048,000	16,192,422
Discounting element	(1510116)	(2,590,158)
Total discounted liabilities	10,537,884	13,602,264

Lease Liabilities included in the Statement of Financial	31st March, 2021	31st March, 2020
Position		
Non Current	6,747,049	8,933,016
Current	3,790,835	4,669,248
Total	10,537,884	13,602,264

c)	Amount Recognized in the Statement of Profit & Loss		
		31st March, 2021	31st March, 2020
	Interest on Lease Liabilities	1,251,139	1,555,503
	Expenses relating to short-term leases	213,340	285,570
	Expenses relating to leases of low-value assets, excluding	-	-
	short-term leases of low-value assets.		
	Depreciation on Lease Asset	3,913,477	5,369,629

d) Consequently, for all leases (other than short-term leases and leases of low-value assets), a right-of-use asset was recognized on the balance sheet for an amount equal to the liability for future lease payments, adjusted by the amount of any prepaid or accrued lease payments.

**Note 37** - Disclosure pursuant to Section22 of "The Micro, Small & Medium Enterprises Development Act, 2006" is as follows: The Company has identified Micro and Small enterprises to whom the Company owes the dues which are outstanding as at the year-end:

Particulars	2020-21	2019-20
i) Principal amount remanining unpaid at the end of the year	69,306,659	8,576,805
ii) Interest accrued at the end of the year	-	-
iii) Interest remaining unpaid, out of above, as at the end of the year	-	-
iv) Further interest remaining due and payable even in the		
succeding years, until such date when the interest dues as above		
are actually paid to the small enterprise, for the purpose of	-	-
disallowance as a deductible expenditure under Section 23 of the		
Act.		

Note: This information has been determined to the extent such parties have been identified on this basis of information available with the Company.

**Note 38** - The Company has suffered substantial losses and due to this, the entire net worth has been eroded. However, operations are Continued and the accounts of the Company have been prepared on the basis that the Company is a going concern. The promoters are bringing fund required for working capital in order to have smooth operations.

**Note 39** - The Ministry of Home Affairs vide order dated 24<sup>th</sup> March, 2020 notified first ever nationwide lockdown to contain the outbreak of Covid-19, Covid -19 has made drastic impact throughout the world and has also affected the Company. Due to the Pandemic and the subsequent complete and partial lockdowns, the business of the Company has been affected. The Company has managed to cope with the situation despite the challenges, however the impact assessment of COVID- 19 is a continuous process given the uncertainties associated with its nature and duration.

Note 40 - The Government of Gujarat has registered the Company as a viable sick unit and granted relief and concessions under the government resolution dated September 11, 2017. Further during the year, under this Scheme and resolution of Government of Gujarat, The Company has received State Goods & Service Tax of ₹ 335.56 lakh, which is revenue grant and same have been shown as Grant received and grouped under other income.

The amount receivable from Govt. of Gujarat towards electricity duty, unit rebate & SGST claim is included in balance with government authorities.

## Note 41 – Income Tax Expenses

Due to losses in current year and substantial brought forward losses, there would not be taxable income in the near future. The deferred tax assets is recognised only to the extent of deferred tax liability.

Note 42 - Sundry Debtors & Creditors (Including foreign suppliers) are subject to confirmation.

**Note 43** - The Directors / employees of the Company have acquired motor cars in their names from and out of the loans obtained by them from the banks, pursuant to an arrangement between the Directors / employees for use of the Company. Accordingly, the Company has accounted the said cars & the said loans in the name of the Directors / employees, as the assets & the liabilities of the Company, including the transactions in respect of repayment and payment of interest and principal etc.

**Note 44** – During the year company has reviewed utilization/productivity of various assets. The company found that some land, building and plant and machinery re no more needed, hence to be disposed for raising funds required for working capital. Profit on sale of fixed assets was Rs.896.38 lacs.

Note 45 - CIF Value of Import	2020-21	2019-20
	Amount in ₹	Amount in ₹
Raw Materials	-	1,432,423
Stores & Spares	2,632,015	-
	2,632,015	1,432,423
Note 46 - Expenditure in foreign currency	2020-21	2019-20
(on accrual basis)	Amount in ₹	Amount in ₹
Stores & Spares	2,338,004	-
Foreign Travel		39,473

**Note 47** - The figures of previous year have been regrouped / reclassified / recast wherever necessary to compare with the current year's figures. Figure in bracket in the schedules and notes pertain to previous year.

As per our report of even date

For BIPIN & CO. Chartered Accountants Firm Reg. No. 101509W For ROYAL CUSHION VINYL PRODUCTS LTD.

Amit Shah (Partner)

Membership No. 126337 UDIN:21126337AAAAEF3514 Chairman & Managing Director 00054351

Director 00054236

**JAYESH A MOTASHA** 

Place: VADODARA Date: 30-06-2021 Place : MUMBAI Date : 30-06-2021

MAHESH K.SHAH

Company Secretary ACS60978

**DEEPTI PAREKH** 

UPDATION OF SHAREHOLDER INFORMATION	ON	
	From :	
To		
To,		
Universal Capital Securities Pvt. Ltd. C 101, 247 Park, LBS Road, Vikhroli West, Mumbai – 400083. Dear Sir,		
Sub :		
Unit : Royal Cushion Vinyl Products Lin	nited	
	inted	
Folio no :		
As per your request in AGM report I/we am and furnishing below information required		form under folio number mentioned above
Bank Account number		
Bank Name		
Branch Name		
MICR Code		
Email Id		
Telephone No. / Mobile no.		
Change my new address as mentic There is no change in my address By giving the said information we habove mentioned Bank Account.		end, if any, in electronic mode, directly to our

# ROYAL CUSHION VINYL PRODUCTS LIMITED Registered Office: 60 CD, Shlok, Govt. Industrial Estate, Charkop, Kandivali west, Mumbai – 400067

## CIN:L24110MH1983PLC031395

#### REMINDER

URGENT AND IMPORTANT FOR YOUR IMMEDIATE ATTENTION PLEASE NOTE THAT THIS IS FOR ONLY PHYSICAL SHAREHOLDER(S)

Dear Shareholder(s),

## Sub: - PAN Number and Bank Account Number

As per SEBI Circular No. SEBI/ HO/MIRSD/DOP1/CIR/P/2018/73 dated 20<sup>th</sup> April, 2018; PAN Number and Bank Account details are to be updated with the Company.

Please note that as per our records, you are holding shares in physical form, you are therefore requested to submit following documents;

- Self-attested copy of the PAN Card(s) of sole/joint holder(s)
- Original cancelled cheque leaf bearing name of the of sole/First holder

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Copy of the bank passbook containing Name, Account Number, IFSC Code, MICR Code of the sole/First holder duly attested by the Bank

You are requested to send the above documents along with enclosed response form duly signed by all the shareholders as per specimen signature registered with the Company within 21 days from the date of this letter to the Registrar and Share Transfer Agent on following address for updating the same in our records.

# Universal Capital Securities Pvt. Ltd. Unit: ROYAL CUSHION VINYL PRODUCTS LIMITED

C 101, 247 Park, LBS Road, Vikhroli West, Mumbai – 400083. Contact Nos. (022) 49186178/79 Email: info@unisec.in

Keeping in view of Green Initiative of Ministry of Corporate Affairs Government of India (MCA), your company shall send the Annual Reports and other documents to its shareholders in electronic form at the e-mail address registered with the Company. You are therefore requested to provide your e-mail address along with Mobile number/Telephone number to receive all future correspondence of the Company in Electronic Form and become a part of it to save a tree.

Keeping in view if there is change in address then please reply to Company or Registrar and Share Transfer Agent.

## **IMPORTANT NOTE - CESSATION OF PHYSICAL TRANSFER OF SHARES**

As per amendment made by SEBI notification dated 8<sup>th</sup> June 2018 in the Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015, the transfer of shares shall be processed in the dematerialized form only. It means transfer request in physical mode is discontinued. These regulations shall come into force within 180 days from the date of notification i.e. w.e.f..5<sup>th</sup> December 2018. In accordance to the said regulations and in your own interest, it is advisable that you should convert your physical shares into dematerialized form at the earliest.

For ROYAL CUSHION VINYL PRODUCTSLIMITED

Mahesh Shah Managing Director 00054351



Registered Office: 60 CD, "Shlok" Govt. Ind. Estate, Charkop, kandivali (West), Mumbai - 400 067. www.rcvp.in