

**Independent Auditor's Report**  
**To the Members of M/s. Refex Industries Limited**  
**Report on the Consolidated Financial Statements**

**Opinion**

We have audited the accompanying Consolidated financial statements of Refex Industries Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated balance sheet as at 31st March 2020, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss, and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

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

**Management's Responsibility for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our Opinion on the consolidated financial statements, and our report on other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done on the reports of the other auditors and financial statements and other financial information certified by the Management.

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in 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 purposes of our audit.
- b) In our opinion, proper books of account as required by law relating to preparations of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the consolidated statement of Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding company as on 31st March, 2020 taken on record by the Board of Directors of the Holding company and the report of the statutory Auditors of its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

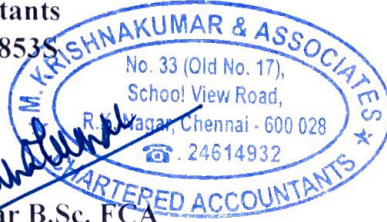


- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "AnnexureA".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given tous:
- (i) The holding company had disclosed the impact of pending litigations as at 31<sup>st</sup> March 2020 on its consolidated financial position in its consolidated financial statements as mentioned in Note 28.
  - (ii) The holding Companyhad made provisions as required under the applicable law or accounting standards, for material foreseeable losses, if any long-term contracts including derivate contracts .
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the holdingCompany.

**For M.Krishnakumar & Associates**

**CharteredAccountants**

**Firm Regn.No.006853S**



**M. Krishna Kumar B.Sc. FCA**

**Proprietor**

**M. No. 203929**

**UDIN: 20203929AAAACL4080**

**Place:Chennai**

**Date: 30.06.2020**

## **“Annexure – A” to the Independent Auditors’ Report of even date on the consolidated Financial statements of Refex Industries Limited**

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

We have audited the internal financial controls over financial reporting of Refex Industries Limited (“the Company”) as of 31 March 2020 in conjunction with our audit of the Consolidated Ind AS financial statements of the Holding Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Consolidated IND AS Financial statements, whether due to fraud or error.

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



## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls over Financial Reporting

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

## Opinion

In our opinion, the Holding Company and its subsidiary company incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial reporting issued by the Institute of Chartered Accountants of India.

For M. Krishnakumar & Associates  
Chartered Accountants

R.NO: 006853S



Place: Chennai  
Date: 30.06.2020

M. Krishna Kumar B.Sc FCA  
Proprietor

M.No: 203929

UDIN: 20203929AAAACL4080

**REFEX INDUSTRIES LIMITED**  
Consolidated Balance Sheet as at March 31, 2020

(Rs. In Lakhs)

Particulars	Note No	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	1	1,491.75	1,485.57
(b) Right of use assets	2	701.99	-
(c) Intangible		-	2.21
(d) Capital Work in Progress		-	26.68
(e) Non-current financial assets			
(i) Investments	3	-	-
(ii) Trade receivables			
(iii) Other non current financial assets	4	59.54	61.03
(f) Deferred Tax Assets	5	183.57	905.43
(g) Other Non current assets	6	432.57	251.26
<b>Current assets</b>			
(a) Inventories	7	318.25	758.69
(b) Financial Assets			
(i) Trade receivables	8	7,227.27	8,749.67
(ii) Cash and cash equivalents	9	2,095.60	387.40
(iii) Bank Balances other than (ii) above		-	-
(iv) Other current financial assets	10	910.75	798.56
(c) Current Tax Assets (Net)	11	-	109.75
(d) Other current assets	12	370.47	2,314.67
<b>Total Assets</b>		<b>13,791.77</b>	<b>15,850.92</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	13	1,547.52	1,547.52
(b) Other Equity	14	6,032.79	2,725.37
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Long term Borrowings	15	-	17.92
(ii) Lease Liability	2	613.96	-
(b) Deferred Tax Liabilities		-	-
(c) Long Term provisions	16	726.46	15.65
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Short term Borrowings	15	171.90	-
(ii) Lease Liability	2	116.22	-
(iii) Trade payables	17	4,120.23	10,118.07
(iv) Other financial liabilities	18	55.48	45.79
(b) Other current liabilities	19	407.20	1,380.60
<b>Total Equity and Liabilities</b>		<b>13,791.77</b>	<b>15,850.92</b>

The accompanying notes form an integral part of these financial statements

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Notes 1 to 38 forms part of the Financials

As per our report of even date attached

For and On behalf of the Board of Directors

**For M. Krishnakumar & Associates,**  
Chartered Accountants

ICAI Firm Registration Number: 0068535

**M. Krishna Kumar**  
Proprietor

Membership No.: 203929

Firm Registration No. with ICAI: 0068535



*Anil Jain*  
T. Anil Jain  
Managing Director  
(DIN: 00181960)

*Pillappan Amalanathan*  
Pillappan Amalanathan  
Director  
(DIN: 08730795)

*U. Lalitha*  
U. Lalitha  
Chief Financial Officer

*S. Gopalkrishnan*  
S. Gopalkrishnan  
Company Secretary

*Dinesh Kumar Agarwal*  
Dinesh Kumar Agarwal  
Director  
(DIN: 07544757)

*Jamuna Ravikumar*  
Jamuna Ravikumar  
Director  
(DIN: 08009308)

Place: Chennai

Date: 30th June 2020

**REFEX INDUSTRIES LIMITED**

**Statement of Consolidated Profit or Loss for the Year ended March 31, 2020**

Particulars	Note No	For Year Ended March 31, 2020	For Year Ended March 31, 2019
		<b>Audited</b>	<b>Audited</b>
<b>Income</b>			
I Revenue from operations	20	66,074.43	46,105.11
II Other income	21	479.09	185.38
<b>III Total Income (I+II)</b>		<b>66,553.52</b>	<b>46,290.48</b>
<b>IV Expenses</b>			
Cost of material consumed	22	43,451.31	16,740.29
Purchase of stock in trade	23	12,293.90	23,570.98
Excise duty on sale of goods		-	-
Employee benefits expenses	24	312.95	243.94
Finance costs	25	90.58	29.68
Depreciation and Amortisation	26	139.32	96.23
Other Expenses	27	4,881.98	2,722.86
<b>Total expenses (IV)</b>		<b>61,170.04</b>	<b>43,403.97</b>
<b>V Profit/(loss) before exceptional items and tax</b>		<b>5,383.48</b>	<b>2,886.51</b>
VI Exceptional items		(581.46)	-
<b>VII Profit/(loss) before tax</b>		<b>4,802.03</b>	<b>2,886.51</b>
<b>VIII Tax expense</b>			
- Current Tax		767.56	646.44
Less: MAT Entitlement Credit		646.44	-646.44
- Deferred Tax		75.42	-276.44
<b>IX Profit/(loss) for the period</b>		<b>3,312.61</b>	<b>3,162.95</b>
<b>X Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plan actuarial gains/ (losses)		(5.19)	(0.07)
Income tax expense on above		(5.19)	(0.07)
<b>XI Total Comprehensive Income for the period (Comprising)</b>		<b>3,307.42</b>	<b>3,162.88</b>
<b>XII Earnings per equity share</b>			
(1) Basic		21.37	20.44
(2) Diluted		21.37	20.44
The accompanying notes form an integral part of these financial statements	<b>28-38</b>		

Notes 1 to 38 forms part of the Financials  
As per our report of even date attached

For and On behalf of the Board of Directors

**For M. Krishnakumar & Associates,**  
Chartered Accountants  
ICAI Firm Registration Number: 0068535

**M. Krishna Kumar**  
Proprietor  
Membership No.: 203929  
Firm Registration No. with ICAI: 0068535



**T. Anil Jain**  
Managing Director  
(DIN:00181960)

**Pillappan Amalanathan**  
Director  
(DIN:08730795)

**U. Lalitha**  
Chief Financial Officer

**Dinesh Kumar Agarwal**  
Director  
(DIN:07544757)

**Jamuna Ravikumar**  
Director  
(DIN:08009308)

**S. Gopalkrishnan**  
Company Secretary

Place: Chennai  
Date: 30th June 2019

REFEX INDUSTRIES LIMITED		
Consolidated Statement of Cash Flow for the year ended 31st March 2020		
Particulars	For Year Ended March 31, 2020	For Year Ended March 31, 2019
	Audited	Audited
<b>Cash flows from operating activities</b>		
Profit Before Taxes	4,802.03	2,886.51
Adjustments:		
Interest Income	(479.09)	(185.38)
Loss/ (Profit) on sale of fixed assets	(19.27)	0.14
Bad Debts	2,657.93	-
Interest expense	90.58	29.67
Remeasurement of Defined benefit Plan under OCI	-	(0.07)
Provisions For ECL	129.11	-
Provisions For Contingent liability	581.46	-
Foreign Gain or loss Difference	(21.67)	-
Difference due to Ind As 116 leases	(28.19)	-
Depreciation and amortization	139.32	96.23
Operating cash flow before working capital changes	7,852.19	2,827.11
Changes in		
Decrease/(Increase) In Trade Receivables	(1,264.63)	(5,098.30)
Decrease/(Increase) In Other current Financial Asset(s)	(112.19)	2,739.36
Decrease/(Increase) In Other current Asset(s)	1,944.20	(2,287.47)
Decrease/(Increase) In Other non-current financial assets	1.49	44.45
Decrease/(Increase) In Inventories	440.44	(236.09)
Decrease/(Increase) In Other non-current assets	(181.31)	51.95
(Decrease)/Increase In Long term Provisions	710.81	(15.62)
(Decrease)/Increase In non-current liabilities	-	-
(Decrease)/Increase In Trade Payables current	(5,997.84)	5,977.42
(Decrease)/Increase In other current liabilities	(973.39)	1,078.79
(Decrease)/Increase in Non Current Investments	-	-
(Decrease)/Increase In Other financial liabilities	9.69	-5.44
Income taxes paid	(1,241.03)	(657.51)
Cash generated from / (used in) operations	1,188.43	4,418.63
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(22.71)	(180.00)
Proceeds from sale of fixed assets	-	0.05
Interest received	479.09	185.38
Net cash generated from/(used in) investing activities [B]	456.38	5.42
<b>Cash flows from financing activities</b>		
Proceeds from / (repayment of) long term and short term borrowings	153.97	(4,076.64)
Dividend paid (including dividend distribution tax)	-	-
Interest paid	(90.58)	-29.67
Net cash used in financing activities	63.40	(4,106.31)
Increase in cash and cash equivalents	1,708.21	317.75
Cash and cash equivalents at the beginning of the year	387.40	69.65
Cash and cash equivalents at the end of the year	2,095.60	387.40
Components of cash and cash equivalents (refer note 21)		
Cash on hand	10.06	12.95
Balances with banks	2,085.55	374.45
Total cash and cash equivalents	2,095.60	387.40

For and On behalf of the Board of Directors

For M. Krishnakumar & Associates,  
Chartered Accountants  
ICAI Firm Registration Number: 0068535

M. Krishna Kumar  
Proprietor  
Membership No.: 203929  
Firm Registration No. with ICAI: 0068535



Place: Chennai  
Date: 30th June 2020

*Signature of T. Anil Jain*

T. Anil Jain  
Managing Director  
(DIN:00181960)

Pillappan Amalanathan  
Director  
(DIN:08730795)

U. Lalitha  
Chief Financial Officer

*Signature of Dinesh Kumar Agarwal*

Dinesh Kumar Agarwal  
Director  
(DIN:07544757)

Jamuna Ravikumar  
Director  
(DIN:08009308)

S. Gopalkrishnan  
Company Secretary

**REFEX INDUSTRIES LIMITED**

Consolidated notes forming part of Financial statements as at and for the year ended March 31, 2020

**Note 1 - Property Plant and Equipments**

Description	Land	Building	Plant and Machinery - Cylinders	Plant and Machinery - Others	Electrical Installation	Furniture and Fixtures	Office Equipment	Vehicles	Total
<b>As at 31 March 2018 (At Cost)</b>	<b>900.52</b>	<b>203.94</b>	<b>141.23</b>	<b>56.81</b>	<b>91.63</b>	<b>29.32</b>	<b>17.67</b>	<b>72.49</b>	<b>1,513.62</b>
Additions during the year	-	-	5.35	142.40	-	-	1.25	2.10	151.11
Deletions during the year	-	-	-	-	-	-	-	(0.37)	(0.37)
<b>As at 31 March 2019 (At Cost)</b>	<b>900.52</b>	<b>203.94</b>	<b>146.58</b>	<b>199.21</b>	<b>91.63</b>	<b>29.32</b>	<b>18.93</b>	<b>74.22</b>	<b>1,664.35</b>
Additions during the year	-	56.10	31.42	7.19	11.84	2.23	1.91	8.32	119.00
Deletions during the year	-	-	-	-	-	(19.95)	(8.99)	-	(28.95)
<b>As at 31 March 2020 (At Cost)</b>	<b>900.52</b>	<b>260.04</b>	<b>178.00</b>	<b>206.40</b>	<b>103.46</b>	<b>11.60</b>	<b>11.84</b>	<b>82.54</b>	<b>1,754.41</b>
<b>Depreciation and amortization</b>									
<b>As at 31 March 2018</b>	-	13.71	29.11	3.89	17.53	6.22	3.55	8.73	82.74
Charge for the year	-	13.72	30.35	14.10	17.53	2.48	3.17	14.87	96.22
Deletions during the year	-	-	-	-	-	-	-	(0.18)	(0.18)
<b>As at 31 March 2019</b>	-	<b>27.43</b>	<b>59.46</b>	<b>17.98</b>	<b>35.07</b>	<b>8.71</b>	<b>6.72</b>	<b>23.42</b>	<b>178.78</b>
Charge for the year	-	10.14	26.01	23.33	13.07	0.38	1.41	9.53	83.87
Deletions during the year	-	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	-	<b>37.57</b>	<b>85.47</b>	<b>41.31</b>	<b>48.13</b>	<b>9.09</b>	<b>8.13</b>	<b>32.95</b>	<b>262.65</b>
<b>Net Book Value</b>									
<b>As at 31 March 2020</b>	<b>900.52</b>	<b>222.47</b>	<b>92.53</b>	<b>165.09</b>	<b>55.33</b>	<b>2.51</b>	<b>3.72</b>	<b>49.59</b>	<b>1,491.75</b>
<b>As at 31 March 2019</b>	<b>900.52</b>	<b>176.51</b>	<b>87.12</b>	<b>181.23</b>	<b>56.56</b>	<b>20.61</b>	<b>12.21</b>	<b>50.80</b>	<b>1,485.57</b>
<b>As at 31 March 2018</b>	<b>900.52</b>	<b>190.23</b>	<b>112.11</b>	<b>52.92</b>	<b>74.10</b>	<b>23.10</b>	<b>14.13</b>	<b>63.77</b>	<b>1,430.87</b>

Regrouping of asset has been made by the Management depending on the nature of the particular assets and appropriate treatment for the same.



**REFEX INDUSTRIES LIMITED**

Consolidated notes forming part of Financial statements as at and for the year ended March 31, 2020

Note 2 - Right of Use (ROU) Asset

(Rs. In Lakhs)

Description	Land*	Building/ Renting of Space	Total
<b>Balance as at April 1, 2019</b>	-	-	-
Additions during the year	694.32	63.12	757.45
Deletions during the year	-	-	-
<b>Depreciation</b>	39.68	15.78	55.46
<b>Balance as at 31 March 2020</b>	<b>654.65</b>	<b>47.34</b>	<b>701.99</b>

The movement in lease liabilities during the year ended March 31, 2020 is as follows :

Description	Land*	Building/ Renting of Space	Total
<b>Balance as at April 1, 2019</b>	-	-	-
Additions during the year	694.32	63.12	757.45
Finance Cost accrued during the Year	72.54	10.29	82.83
Deletions during the year	-	-	-
Repayment of Lease Liability	89.84	20.25	110.09
<b>Balance as at 31 March 2020</b>	<b>677.02</b>	<b>53.16</b>	<b>730.18</b>

\*The Company has only capitalized the land on the basis of immovable lease agreement and has not considered to capitalize the solar asset since the power plant shall be transferred to the 100% subsidiary in a short period of time.

The details of the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis are as follows

Particulars	31-Mar-20
Not Later than one year	116.22
Later than one year and not later than Five Years	384.27
Later Than Five Years	950.47
<b>Total</b>	<b>1,450.96</b>



**REFEX INDUSTRIES LIMITED**

Consolidated Notes forming part of Financial statements as at and for the year ended March 31, 2020

**Note 3 - Non Current Investments**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Investments in Subsidiary</b>		
Unquoted carried at cost		
50,000 Equity Shares of Vituza Solar Energy Ltd of Rs.10/- each.	-	-
<b>Total Aggregate Book Value of unquoted Investments</b>	-	-

**Note 4 - Other Non Current Financial Assets**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Unsecured</b>		
Advances and Deposits	59.54	61.03
Less: Provision for expected credit loss under Ind AS 109		
<b>Total</b>	<b>59.54</b>	<b>61.03</b>

**Note 6 - Other Non Current Assets**

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with Government Authorities	432.57	251.26
<b>Total</b>	<b>432.57</b>	<b>251.26</b>

The above refunds are adjusted by IT Authority against the disputed demands of Income Tax. Hence, Provision is made for Contingent Liability towards the disputed Income Tax demand.

**Note 7 - Inventories**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Raw Materials and Spares</b>		
Stock of Refrigerant Gases	300.26	331.18
Solar Modules	-	427.51
Coal	17.98	-
<b>Total</b>	<b>318.25</b>	<b>758.69</b>

**Note 8 - Trade Receivables**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Trade receivables</b>		
Unsecured - Considered good	7,463.04	8,856.34
<b>Less:</b>		
Impairment for Trade receivable under Expected Credit Loss model	-235.78	-106.67
<b>Total</b>	<b>7,227.27</b>	<b>8,749.67</b>

**Note:**

Information with respect to aging is provided in Note No:32



**REFEX INDUSTRIES LIMITED**

Consolidated Notes forming part of Financial statements as at and for the year ended March 31, 2020

**Note 5 - Deferred Tax Asset(s)/ (Liabilities)**
**Tax recognised in Statement of profit and loss**

Particulars	For the year Ended March 31, 2020	For the year Ended March 31, 2019
<b>Current income tax</b>		
Current year	767.56	646.44
Less: MAT Entitlement Credit	646.44	-646.44
<b>Sub Total (A)</b>	<b>1,413.99</b>	<b>-</b>
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	75.42	-276.44
<b>Sub Total (B)</b>	<b>75.42</b>	<b>-276.44</b>
<b>Total (A+B)</b>	<b>1,489.41</b>	<b>-276.44</b>

**Reconciliation of effective tax rates**

Particulars	For the year Ended March 31, 2020	For the year Ended March 31, 2019
Profit before tax	4,802.03	2,886.97
Enacted tax Rate (under Normal Provisions)*	29.12%	26.00%
<b>Computed Expected Tax Expenses - Normal Provision</b>	<b>1,398.35</b>	<b>750.61</b>

\*The Company has not opted for Section 115BAA in the current year.

**Recognised deferred tax assets and liabilities**

Deferred tax assets and liabilities are attributable to the following:

Particulars	As at March 31, 2020	As at March 31, 2019
Property Plant and Equipment	(31.30)	48.90
Carry Forward Losses	-	180.73
Leave Encashment Provision	0.97	0.54
Grat. Provision	6.99	1.10
Provision for Bad and Doubtful debts under ECL	37.60	27.73
MAT Entitlement Credit	-	646.44
Provision for ascertained Contingent Liability	169.32	-
<b>Net Deferred Tax Assets/ (Liabilities)</b>	<b>183.57</b>	<b>905.43</b>

**Movement in deferred tax balances during the year ended March 31, 2020**

Particulars	Balance As at March 31, 2019	Recognised in profit & loss	Recognised in OCI	Balance As at March 31, 2020
Property, Plant & Equipment	48.90	(80.20)	-	(31.30)
Carry Forward Losses	180.73	(180.73)	-	-
Leave Encashment	0.54	0.43	-	0.97
Grat. Provision	1.10	5.89	-	6.99
MAT Credit	646.44	(646.44)	-	-
ECL Provision	27.73	9.86	-	37.60
Provision for ascertained Contingent Liability	-	169.32	-	169.32
<b>Total</b>	<b>905.43</b>	<b>(721.85)</b>	<b>-</b>	<b>183.57</b>



Consolidated Notes forming part of Financial statements as at and for the year ended March 31, 2020

Note 9 - Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
i) Balances with banks		
* Current Accounts	1,580.09	373.19
* EEFC accounts	-	-
* Deposit Accounts	505.46	1.26
ii) Cash on hand	10.06	12.95
<b>Total</b>	<b>2,095.60</b>	<b>387.40</b>

Note 10 - Other Current Financial Assets

Particulars	As at March 31, 2020	As at March 31, 2019
i) Unsecured, considered good;		
- Loans and advances to Employees	1.18	0.51
- Loans and advances to Related Parties measured at Amortized Cost	909.57	798.05
<b>Total</b>	<b>910.75</b>	<b>798.56</b>

Note 11 - Current Tax Asset

Particulars	As at March 31, 2020	As at March 31, 2019
Withholding Taxes	1,296.32	756.18
Less: Provision for Taxes	(1,296.32)	-646.44
<b>Total</b>	<b>-</b>	<b>109.74</b>

Note 12 - Other Current Assets

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured considered good		
Prepaid Expenses	6.27	7.12
Advance to Suppliers	364.20	2,307.55
<b>Total</b>	<b>370.47</b>	<b>2,314.67</b>



**REFEX INDUSTRIES LIMITED**

Consolidated Notes forming part of Financial statements as at and for the year ended March 31, 2020

**Note 13 - Equity Share Capital**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Authorised Share Capital</b>		
(i) Equity Shares (2,50,00,000 Nos of Rs. 10 each)	25,00,00,000	25,00,00,000
(ii) Preference Shares (5,00,000 Nos of Rs. 100 each)	5,00,00,000	5,00,00,000
<b>Total</b>	<b>30,00,00,000</b>	<b>30,00,00,000</b>
<b>Issued</b>		
(i) Equity Shares (1,54,75,176 Nos of Rs. 10 each)	15,47,51,760	15,47,51,760
<b>Subscribed And Paid Up</b>		
(i) Equity Shares (1,54,75,176 Nos of Rs. 10 each)	15,47,51,760	15,47,51,760
<b>Total</b>	<b>15,47,51,760</b>	<b>15,47,51,760</b>

There has been no change in the paid up Equity Capital during the year

**Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

**Details of Shareholders holding more than 5% shares in the Company**

Particulars	As at March 31, 2020		As at March 31, 2019	
	Nos	% of Holding	Nos	% of Holding
Shenisha Technologies Private Limited	20,83,411	13.46%	20,83,411	13.46%
T.Anil Jain	25,13,533	16.24%	25,13,533	16.24%
<b>Total</b>	<b>45,96,944</b>	<b>29.71%</b>	<b>45,96,944.00</b>	<b>29.71%</b>



**REFEX INDUSTRIES LIMITED**

Consolidated Notes forming part of Financial statements as at and for the year ended March 31, 2020

**Note 14 Other Equity**

For the year ended March 31, 2020

Particulars	Reserves and Surplus				Other Components of Equity	Total
	General Reserve	Security Premium	Statutory Reserve*	Retained Earnings	Remeasurement of Net Defined benefit Liability/ Asset	
Balance as at April 01, 2019	422.10	2,324.12	-	(20.77)	(0.07)	2,725.37
Movement to Reserves	-	-	-	3,312.61	-	3,312.61
Total Comprehensive Income for the Year	-	-	-	-	-	-
Other Comprehensive Income for the Year	-	-	-	-	(5.19)	(5.19)
Balance as at March 31, 2020	422.10	2,324.12	-	3,291.84	(5.27)	6,032.79

For the year ended March 31, 2019

Particulars	Reserves and Surplus				Other Components of Equity	Total
	General Reserve	Security Premium	Statutory Reserve*	Retained Earnings	Remeasurement of Net Defined benefit Liability/ Asset	
Balance as at April 01, 2018	422.10	2,324.12	-	(3,183.72)	-	(437.50)
Movement to Statutory Reserve	-	-	-	-	-	-
Total Comprehensive Income for the Year	-	-	-	3,162.95	-	3,162.95
Other Comprehensive Income for the Year	-	-	-	-	(0.07)	(0.07)
Balance as at March 31, 2019	422.10	2,324.12	-	(20.77)	(0.07)	2,725.37



**REFEX INDUSTRIES LIMITED**

Consolidated Notes forming part of Financial statements as at and for the year ended March 31, 2020

**Note 15 - Borrowings - Short Term/ Long Term**

Borrowings	Short Term		Long Term	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
<b>(i) Secured</b>				
- Vehicle Loan	12.96	-	-	8.99
- others	-	-	-	-
<b>(ii) Unsecured</b>				
- Inter Corporate Deposits at Amortized Cost	150.00	-	-	-
- Term Loan	8.94	-	-	8.94
<b>Total</b>	<b>171.90</b>	<b>-</b>	<b>-</b>	<b>17.93</b>

**Terms**

- i. Term loan from banks are repayable in 11 Months, rate of interest at 16% and Unsecured  
 ii. Vehicle loans include Bolero Loan repayable in 6 Months at RoI of 10.5% and loan for CAR, repayable in 11 months, rate of interest at 8.40% secured with the car.

**Note 16 - Long Term Provisions**

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Employee Benefits:-		
- Gratuity	24.01	13.57
- Leave Encashment	3.33	2.08
Provision for Contingent Liability	581.46	-
Provision for Taxation	117.67	-
<b>Total</b>	<b>726.46</b>	<b>15.65</b>

Provision for contingent Liability is towards disputed Income Tax Demand. Also refer Note 6.

**Note 17 - Trade Payables**

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payables (Refer Note 30)		
- Dues to Micro and Small Enterprises	301.59	149.80
- Others Trade Payables	3,818.65	9,968.27
<b>Total</b>	<b>4,120.23</b>	<b>10,118.07</b>

**Note:**

No interest due for these outstandings under MSME Act, 2006.

**Note 18 - Other Financial Liabilities**

Particulars	As at March 31, 2020	As at March 31, 2019
Current Maturities of long term debt	-	20.62
Unclaimed Dividends	-	-
Payable to Employees	8.33	-
Other financial Liabilities	47.16	25.17
<b>Total</b>	<b>55.48</b>	<b>45.79</b>

**Note 19 - Other Current Liabilities**

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory Liabilities	395.13	424.23
Advance from customers	-	919.21
Other current liabilities	12.07	37.16
<b>Total</b>	<b>407.20</b>	<b>1,380.60</b>



**REFEX INDUSTRIES LIMITED**

Consolidated Notes forming part of Financial statements as at and for the year ended March 31, 2020

**Note 20 - Revenue From Operations**

Particulars	For Year Ended March 31, 2020	Year ended March 31, 2019
Revenue from Refrigerant Gases	2,010.81	1,325.57
Revenue from Ash and Coal Handling	58,905.59	33,520.17
Revenue from Solar Segment	1,485.27	7,470.81
Revenue from Service Segment	3,672.77	3,206.51
Revenue from Mineral Segment	-	582.06
<b>Total</b>	<b>66,074.43</b>	<b>46,105.11</b>

**Note 21 - Other Income**

Particulars	For Year Ended March 31, 2020	Year ended March 31, 2019
Interest from Inter-Company Deposits	432.43	2.23
Interest from Fixed Deposits	4.49	166.33
Foreign Exchange Fluctuation - Gain	21.67	2.79
Miscellaneous income	1.22	14.02
Profit/Loss on Sale of Fixed Assets	19.27	-
<b>Total</b>	<b>479.09</b>	<b>185.37</b>

**Note 22 - Cost of materials Consumed\***

Particulars	For Year Ended March 31, 2020	Year ended March 31, 2019
<b>Opening Balance</b>		
Opening Raw Materials and Components	758.69	-522.60
<b>Add:</b>		
Cost of materials Consumed	42,995.39	16,499.30
Freight Inward	3.92	2.01
Consumption of Stores and Spares	11.56	2.88
<b>Less: Closing Stock</b>		
Closing Raw Materials and Components	-318.25	758.69
<b>Total</b>	<b>43,451.31</b>	<b>16,740.29</b>

The Cost of Material consumed represents cost of services & products

**Note 23 - Purchase of Stock in Trade**

Particulars	For Year Ended March 31, 2020	Year ended March 31, 2019
Solar Accessories	-	7,090.59
Service Purchase	12,293.90	16,480.40
<b>Total</b>	<b>12,293.90</b>	<b>23,570.98</b>

\*The above amount includes services bought for all the Business Segments.



**Note 24 - Employee benefits expense**

Particulars	For Year Ended March 31, 2020	Year ended March 31, 2019
Salaries, and Bonus etc.*	241.19	144.34
Contribution to Provident and Other Funds	13.38	15.55
Staff Welfare Expenses	22.38	66.05
Remuneration to Key Management personnel	36.00	18.00
<b>Total</b>	<b>312.95</b>	<b>243.94</b>

\*The above amount also include the payment to contractors

**Note 25 - Finance Cost**

Particulars	For Year Ended March 31, 2020	Year ended March 31, 2019
Interest cost on financial liabilities measured at amortized cost	86.81	24.83
Other Charges	3.77	4.84
<b>Total</b>	<b>90.58</b>	<b>29.67</b>

The above includes Interest on Lease Liability of Rs.72.53 Lakhs.

**Note 26 - Depreciation and Amortisation**

Particulars	For Year Ended March 31, 2020	Year ended March 31, 2019
Depreciation / Amortisation for the year - Tangible Assets & Intangible assets	139.32	96.23
<b>Total</b>	<b>139.32</b>	<b>96.23</b>

The above includes Depreciation on account of IND AS - Leases Application to the tune of Rs.39.67 Lakhs.

**Note 27 - Other expenses**

Particulars	For Year Ended March 31, 2020	Year ended March 31, 2019
Advertisement	2.38	424.05
Annual General Meeting Expenses	0.11	0.07
Audit fees	6.35	4.56
Bad Debts	2,657.93	69.84
Business promotion & Marketing Expenses	31.01	45.78
Communication	5.31	6.58
Director Sitting Fees (Refer note 21.B.6)	0.90	0.70
CSR Expenses	190.79	59.61
Food , Accommodation & Travelling Expenses	212.49	183.90
General Expenses	3.10	9.32
Insurance	10.89	9.84
Legal , Professional & Expert Engagement Fees	93.61	324.61
Power and fuel	51.53	32.40
Printing and stationery	7.84	11.44
Loss on Sale of Fixed Assets	-	0.14
Rates and taxes	65.14	24.24
Rent including lease rentals	1,200.48	1,298.96
Repairs and maintenances	67.46	16.31
Security Charges	5.49	2.92
Selling and Distribution Expenses	93.90	21.46
Provision for Bad and Doubtful Debts as per ECL	129.11	106.67
Transportation, Handling and Carriage expenses	46.14	69.45
<b>Total</b>	<b>4,881.98</b>	<b>2,722.86</b>

**Payment made to Auditors**

Particulars	For Year Ended March 31, 2020	Year ended March 31, 2019
Payment made to statutory auditors :		
i. As auditors	6.00	3.62
ii. For taxation matters	-	-
iii. For other services	-	-
iv. For reimbursement of expenses	-	-
<b>Total</b>	<b>6.00</b>	<b>3.62</b>



**28. Contingent Liabilities :**

Particulars	(Rs. In lakhs)	
	As at March 31,2020	As at March 31,2019
Corporate Guarantee to Group Co.	3,748.00	3,748.00
Other Guarantees	7,800.00	7,800.00

Our Company is involved in certain legal proceedings, which are pending at varying levels of adjudication at different forum. The summary of the outstanding matters set out below includes details of criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving our Company. The brief details of such outstanding litigation are as follows:

No.	Nature of proceedings	Number of outstanding cases	Amount involved (Rs. in Lakhs)
<b>Cases filed against our Company</b>			
1.	Civil	2	302.67
<b>Cases filed by our Company</b>			
1.	Civil	6	1901.32
2.	Criminal (under section 138 of the Negotiable Instruments Act)	1	4.75

**A. LITIGATIONS INVOLVING OUR COMPANY****1. AGAINST OUR COMPANY****(a) Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company:**

- i. M/s Hindustan Fluoro Carbon Limited (the "Petitioner") has filed a writ petition (19504/2009) before the Hon'ble High Court of Andhra Pradesh at Hyderabad (the "**Court**") under Article 226 of Constitution of India in the year 2009 against State Bank of India, Chennai and Ors. (collectively, the "**Respondents**"). Our Company is one of the Respondents in the matter. Petitioner has filed the writ before the Court in the nature of Mandamus to declare the act of State Bank of India, one of the Respondents, rejecting Petitioner's letter of credit issued by SBI-Commercial Branch Chennai, Chennai, OF) as illegal and consequentially seeking an order directing State Bank of India to honor its commitment to realize the payment of ₹132.06 Lakhs along with interest on the same to the Petitioner towards goods supplied by the Petitioner to our Company. Our Company has filed counter reply with the Hon'ble High Court in the year 2016 to dismiss the writ petition. Presently, the matter is pending before the Hon'ble High Court.

**(b) Litigation involving material violations of statutory regulations which are currently pending or have arisen in the preceding last ten years:**

Income tax department has filed an appeal before the Hon'ble High Court of Madras at Chennai (the "Court") as aggrieved by an order of Hon'ble Income Tax Appellate Tribunal (ITAT), Chennai under Section 143(1) of Income Tax Act 1961 which was passed in favour of our Company. This matter relates to the tax demand to the tune of ₹170.61 Lakhs for the assessment year 2009-10 which was raised by an assessing officer by way of issue of an assessment order dated October 16, 2014 under Section 40 (a) (ia) of Income Tax Act, 1961. The matter is pending and shall come up for hearing in due course.



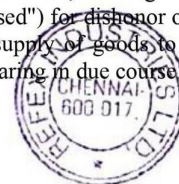
## 2. FILED BY OUR COMPANY

### (a) Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company:

- i. Our Company has filed an execution petition in the original suit (60/2014) before the Hon'ble District Munsiff Judge at Chengalpet (the "**Court**") under Order XXI read with Rule 11 (2) of Civil Procedure Code, 1908 for execution of judgement and decree obtained by our Company in Original Suit (60/2014) (the "**Suit**") against V.Veera alias Veerapathiran (the "**Defendant**") before Court seeking permanent injunction and removal of the construction undertaken by the Defendant over the immovable property located at No. 114 Thandalam Village, Now Thirupporur Taluk, Kancheepuram District admeasuring 0.33.0 Hectares which is disputed in Suit. The said matter is pending.
- ii. Our Company has filed a commercial suit (747/2012) before the Hon'ble High Court of Madras at Chennai under Order XVII read with Rule 1 of Civil Procedure Code, 1908 against United India Assurance Co. (the "**Defendant**") for recovery of insurance claim rejected by the Defendant, to the tune of ₹484.93 Lakhs for the loss caused to our Company because of leakage of stored gas which was insured by standard fire and special peril policy availed from the Defendant. The matter is pending before the court will shall come up for hearing in due course.
- iii. Our Company (the "Petitioner") had filed a writ petition (20939/2017) before the Hon'ble High Court of Madras at Chennai (the "**Court**") under Article 226 of Constitution of India against The Chief Commissioner of Customs and Deputy Commissioner of Customs, Chennai (collectively, the "**Respondents**") to challenge the act of detention without any authority but with an oral intimation, of two containers of refrigerant gas namely R-142B in 2 ISO tanks by the Deputy Commissioner of Customs which were imported from China in the year 2014 by Petitioner. The matter was heard and the Hon'ble Court directed the Petitioner to deposit sum of ₹28.94 Lakhs for the release of said containers by Respondents and directed to appear before the Respondents.
- iv. Our Company has filed a suit (105/2011) (the "**Suit**") before the Hon'ble District Munsiff Court at Chengalpet (the "Court") under Order XVIII read with Rule 1 of Civil Procedure Code, 1908 against Mr. Dhanpal (the "Defendent") seeking permanent injunction against the Respondent from encroachment and removal of the construction undertaken by the Defendant over the immovable property located at No. 114 Thandalam Village, Now Thirupporur Taluk, Kancheepuram District admeasuring 0.33.0 Hectares which is disputed in Suit. The Hon'ble Court passed a judgement and decree favour of our Company and we are in process of filing the execution petition under Order XXI read with Rule 11(2) of C.P.C for execution of judgment and decree obtained in the Suit.
- v. Our Company has filed a Petition [CP (IB) No. 563/9/HDB/2019] before the Hon'ble National Company Law Tribunal, Hyderabad (the "NCLT") under Section 9 of the Insolvency and Bankruptcy Code, 2016 read with rule 6 of Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 against VS Lignite Power Private Limited (the "**Corporate Debtor**") for recovery of outstanding to the tune of ₹ 806.00 Lakhs in respect of excavation of over burden by our Company generated from the lignite mining activities of the Corporate Debtor. Hon'ble NCLT has admitted the petition and appointed Mr. Govindarajulu Venkata Narsimha Rao as Interim Resolution Professional.

### (b) Litigation involving issues of moral turpitude or criminal liability, which are currently pending or have arisen in the preceding last ten years:

- i. Our Company has filed a criminal complaint (7463/2017) before the Hon'ble Metropolitan Magistrate Court, Saidapet, Chennai under Section 138 of the Negotiable Instruments Act, 1938 against Mr. Rajendar Malu, proprietor of M/s Premier Electric & Refrigeration C. (the "Accused") for dishonor of Cheque issued towards outstanding dues to the tune of ₹ 4.75 Lakhs in respect of supply of goods to accused by our company. Presently, the said matter is pending and shall come up for hearing in due course.



(c) **Litigation involving material violations of statutory regulations which are currently pending or have arisen in the preceding last ten years:**

- i. Our Company has filed an appeal before the Hon'ble Income Tax Appellate Tribunal (the "ITAT") as aggrieved by an order of CIT (Appeals) under Section 260A of Income Tax Act. This matter relates to the tax demand to the tune of ₹581.45 Lakhs for the assessment year 2011-12 which was raised by an assessing officer by way of issue of an assessment order dated June 27, 2014 under Section 143(3) read with Section 263 of Income Tax Act, 1961. The matter is pending before the ITAT and shall come up for hearing in due course.

**29 Additional information pursuant to Schedule III of the Companies Act, 2013**

(Rs. In lakhs)			
S. No	Particulars	As at March 31,2020	As at March 31,2019
A	Expenditure in Foreign currency on: (i) Salary and allowance (ii) Tours and Travels (iii) Import of Materials/ Equipment (CIF Value) a. Refrigerant Gases b. Capital goods c. Components and spares d. Finished goods/Semi Finished goods e. Raw Materials f. Others	- 0.38  991.43 - 2.46 - - 13.81	- 4.24  873.71 113.98 - - 1.27 -
<b>B</b>	<b>Earnings in Foreign Exchange</b>	<b>283.35</b>	<b>123.46</b>

**30 Information in respect of Micro, Small and Medium Enterprises as at 31<sup>st</sup> March 2020:**

(Rs. In lakhs)			
S. No	Particulars	As at March 31,2020	As at March 31,2019
1	Amount remaining unpaid to any supplier: a) Principal Amount b) Interest due thereon	301.59 -	149.80 -
2	Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount paid to the supplier beyond the appointed day;	Nil	Nil
3	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
4	Amount of interest accrued and remaining unpaid	Nil	Nil
5	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil



**Disclosure requirements of Indian Accounting Standards****31 Disclosures in respect of Ind AS 107 - Financial Instruments****a. Financial Instruments by Categories**

The carrying value and fair value of financial instruments by categories were as follows:

**(Amount as of March 31, 2020)**

**(Rs. In lakhs)**

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through OCI
<b>Assets:</b>			
Non-Current Investment	-	-	-
Other Long Term Financial Assets	59.54	-	-
Current Trade Receivables	7,227.27	-	-
Cash & Cash Equivalents	2,095.60	-	-
Other Bank Balances	-	-	-
Other Financial Assets	910.75	-	-
<b>Liabilities:</b>			
Long term Borrowings	-	-	-
Lease Liability	730.18	-	-
Other Non- Current financial liabilities	-	-	-
Short term Borrowings	171.90	-	-
Trade Payables	4,120.23	-	-
Other Current financial liabilities	55.48	-	-

**(Amount as of March 31, 2019)**

**(Rs. In lakhs)**

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through OCI
<b>Assets:</b>			
Non-Current Investment	-	-	-
Other Long Term Financial Assets	61.03	-	-
Current Trade Receivables	8,749.67	-	-
Cash & Cash Equivalents	387.40	-	-
Other Bank Balances	-	-	-
Other Financial Assets	798.56	-	-
<b>Liabilities:</b>			
Long term Borrowings	17.92	-	-
Other Non- Current financial liabilities	-	-	-
Short term Borrowings	-	-	-
Trade Payables	10118.07	-	-
Other Current financial liabilities	45.79	-	-



**b. Fair Value Hierarchy**

- **Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

**c. Valuation Technique used to determine Fair Value:**

The carrying amount of current financial assets and current trade and other financial liabilities measured at amortised cost are considered to be the same as their fair values, due to their short term nature. The carrying amount of Security Deposit measured at amortized cost is considered to be the same as its fair value due to its insignificant value. The carrying value of Rupee Term Loan and Term loan from related parties' approximate fair value as the instruments are at prevailing market rate.

**32 Financial risk management**

The Company's activities expose to limited financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

**Market risk**

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument.

The company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), Interest rate risk and the market value of its investments.

**Credit Risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. It principally arises from the Company's Trade Receivables, Retention Receivables, Advances and deposit(s) made

**Trade receivables**

The company has outstanding trade receivables amounting to Rs. 72,27,26,787 as at March 31, 2020 & Rs.87,49,67,181 as at March 31, 2019 respectively. Trade receivables are typically unsecured, except for security deposits received from the new dealers and are derived from revenue earned from customers. Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The company is not exposed to concentration of credit risk to any one single customer. Default on account of Trade Receivables happens when the counterparty fails to make contractual payment when they fall due.

Further for amounts overdue are constantly monitored by the management and provision towards expected credit loss are made in the books. Management estimated of expected credit loss for the Trade Receivables are provided below with the classification on debtors.

Particulars	Overdue period							
	0-30days	30-60days	60-90 days	90-120 days	150-180 days	180-360 days	360 days- 3 Years	> 3 Years
Trade Receivables	3.00%	3.00%	3.00%	5.67%	5.67%	14.00%	31.33%	100.00%

The above% has been arrived by taking a simple average of 3 Variants as prescribed by the standard. The 3 variants are arrived on by the management on the basis of Conservative, Moderate and aggressive estimates.



**Credit risk exposure:**

An analysis of age of trade receivables at reporting date is summarized as follows:

(Rs. In lakhs)

Particulars	March 31, 2020	
	Net outstanding	Impairment
0 to 30 days	5,940.92	178.23
30 to 60 days	662.55	19.88
60 to 90 Days	252.23	7.57
90 to 120 days	119.59	6.78
150 to 180 days	151.28	8.57
180 to 360 days	96.92	13.57
More than 1 year but less than 3 years	3.79	1.19
More than 3 Years	-	-
<b>Total</b>	<b>7,227.27</b>	<b>235.78</b>

Movement in Provision for Doubtful Debts	Amount
<b>As at March 31, 2019</b>	106.67
Charge for the year ended March 31, 2020	129.11
Utilized for the year March 31, 2020	-
Reversal of Excess Provision	-
<b>As at March 31, 2020</b>	<b>235.78</b>

Trade receivables are impaired in the year when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality.

**Liquidity Risk**

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations, Term loan from Banks, and Contribution in the form of share capital.

We manage our liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consist mainly of sundry creditors, expense payable, employee dues, repayment of loans and retention & deposits arising during the normal course of business as of each reporting date. We maintain a sufficient balance in cash and cash equivalents to meet our short-term liquidity requirements.

We assess long term liquidity requirements on a periodical basis and manage them through internal accruals. Our non-current liabilities include Unsecured Loans from Promoters, Term Loans from Banks, Retentions & deposits.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay.



The table include both principal cash flows.

(Amount as of March 31, 2020)

(Rs. In lakhs)

Particulars	1 year	1-3 years	3-5 years	More than 5 years	Total
Term Loan from Banks	8.94	-	-	-	8.94
Vehicle Loans	12.96	-	-	-	12.96
Inter corporate Deposits	150.00				150.00

(Amount as of March 31, 2019)

(Rs. In lakhs)

Particulars	1 year	1-3 years	3-5 years	More than 5 years	Total
Term Loan from Banks	8.37	8.94	-	-	17.31
Vehicle Loans	12.25	8.99	-	-	21.23

#### Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates does not have material impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. The company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks and the impact of which is found to be immaterial.

#### Interest Rate Risk

At the reporting date the interest rate profile of the company's interest – bearing financial instruments as follows, all being fixed rate of borrowing, the company is not assuming any risk on interest increase.

Particulars	As at March 31, 2020	As at March 31, 2019
Financial Liabilities		
- Term Loan from Bank – Unsecured	16.5%	16.5%
- Vehicle Loan from Bank - Secured	9.50%	9.50%
- Vehicle Loan from Bank	10.50%	-
- Vehicle Loan from Financial Institutions	8.40%	8.40%
- Inter – Corporate Deposits	7%	7%

The period end balances are not necessarily representative of the average debt outstanding during the period.

#### Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets or by adequate funding by the shareholders to absorb the losses of the Company.



The Company's capital comprises equity share capital, retained earnings and other equity attributable to equity holders. The primary objective of Company's capital management is to maximize shareholders value. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The total share capital as on March 31, 2020 is Rs.15,47,51,760 (Previous Year: Rs.15,47,51,760 ).

(Rs. In lakhs)		
Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Total Debt	117.80	38.54
Less : Cash and cash equivalent	(2,095.60)	(387.40)
Net Debt	-	-
Total Equity	7,580.31	4,272.89
Net debt to equity ratio	NA	NA

### 33 Disclosure in respect of Indian Accounting Standard (Ind AS)-19 “Employee Benefits”

a. General description of various defined employee’s benefits schemes are as under:

**a) Provident Fund:**

The company’s Provident Fund is managed by Regional Provident Fund Commissioner. The company pays fixed contribution to provident fund at pre-determined rate.

**b) Gratuity:**

Gratuity is a defined benefit plan, provided in respect of past services based on the actuarial valuation carried out by LIC of India and corresponding contribution to the fund is expensed in the year of such contribution.

The scheme is funded by the company and the liability is recognized on the basis of contribution payable to the insurer, i.e., the Life Insurance Corporation of India, however, the disclosure of information as required under Ind AS-19 have been made in accordance with the actuarial valuation.

b. The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income(OCI) and Balance Sheet & other disclosures are as under:

**(Actuarial Valuation)**

**Movement in defined benefit obligation:**

(Rs. In lakhs)		
Particulars	31.03.2020	31.03.2019
Defined benefit obligation -Beginning of the year	16.68	12.54
Current service cost	3.95	3.24
Interest Cost	1.30	0.98
Benefits Paid	-	-
Re-measurements - actuarial loss/(gain)	(5.19)	(0.07)
Past service cost/ others	7.26	-
Defined benefit obligation – End of the year	24.00	16.68

### Amount Recognized in Statement of Profit and Loss

(Rs. In lakhs)		
Particulars	31.03.2020	31.03.2019
Current service cost	3.95	3.24
Past service cost	-	-
Loss/Gain on settlement	-	-



Particulars	31.03.2020	31.03.2019
Net Interest cost/(income) on Net Defined Benefit Liability/(assets) (B)	1.30	0.98
<b>Cost Recognized in P&amp;L</b>	<b>5.25</b>	<b>4.22</b>

#### Amount recognized in Other Comprehensive Income (OCI)

(Rs. In lakhs)

Particulars	31.03.2020	31.03.2019
Actuarial (gain)/loss due to assumption changes	-	-
-change in financial assumptions	(3.94)	0.46
-experience variance(i.e. Actual experience Vs assumptions)	(1.27)	(0.53)
<b>Actuarial (gain)/loss recognized in OCI</b>	<b>(5.19)</b>	<b>(0.07)</b>

#### Sensitivity Analysis

(Rs. In lakhs)

Particulars	31.03.2020	31.03.2019
Defined benefit obligation (base)	24.00	16.68

(Rs. In lakhs)

Assumption	Change in Assumption	31.03.2020	31.03.2019
Discount Rate	+1.0%	20.80	14.56
	-1.0%	-27.92	-19.28
Salary growth Rate	+1.0%	-27.84	-19.25
	-1.0%	20.81	14.54
Attrition Rate	+50%	-23.70	-16.63
	-50%	24.33	16.73
Mortality Rate	+10%	-24.00	-16.68
	-10%	24.01	16.68

#### Actuarial Assumption

Particulars	31.03.2020	31.03.2019
Discount rate	<b>6.85%</b>	<b>7.75%</b>
Rate of salary increase	10% p.a for first 3 years and 7.5% p.a thereafter	10% p.a for first 3 years and 7.5% p.a thereafter
Retirement Age	58 Years	58 Years
Average Future Service	18.43	18.43



**Leave encashment****Movement in defined benefit obligation:****(Rs. In lakhs)**

<b>Particulars</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
Present value of obligation	3.33	2.08
Fair value of plan assets	-	-
Surplus/ (Deficit)	(3.33)	(2.08)
Effects of asset ceiling, if any	-	-
Net asset/(liability)	(3.33)	(2.08)

**Amount Recognized in Statement of Profit and Loss****(Rs. In lakhs)**

<b>Particulars</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
Present value of obligation as at the beginning	2.08	1.83
Present value of obligation as the end	3.33	2.08
Benefit payment	0.39	-
Actual return on plan assets	-	-
Acquisition adjustment	-	-
<b>Cost Recognized in P&amp;L</b>	<b>1.63</b>	<b>0.25</b>

**Sensitivity analysis****(Rs. In lakhs)**

<b>Particulars</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
Defined benefit obligation (base)	(3.32)	(2.08)

**(Rs. In lakhs)**

<b>Assumption</b>	<b>Change in Assumption</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
Discount Rate	+1.0%	2.90	1.85
	-1.0%	-3.84	-2.35
Salary growth Rate	+1.0%	-3.83	-2.34
	-1.0%	2.90	1.85
Attrition Rate	+50%	-3.30	-2.08
	-50%	3.35	2.08
Mortality Rate	+10%	-3.32	-2.08
	-10%	3.32	2.08



## Actuarial Assumption

Particulars	31.03.2020	31.03.2019
Discount rate	6.85%	7.75%
Rate of salary increase	10% p.a for first 3 years and 7.5% p.a thereafter	10% p.a for first 3 years and 7.5% p.a thereafter
Retirement Age	58 Years	58 Years
Average Future Service	18.43	18.43

### 34 Disclosure in respect of Indian Accounting standard (Ind AS)-108: “Operating Segments”

KSK Mahanadi Power Company Ltd & M.S Fuels contributes 42.61% and 21.07% respectively of the total revenue of the Company. These are the only Customers having revenue exceeding 10% of the total revenue.

Particulars	March 31,2020	March 31,2019
<b>Segment Revenue ( Net Sales/Income)</b>		
Coal & Ash Handling Business	58,905.59	33,520.17
Solar Power - Generation and Related Activities	1,485.27	7,470.81
Refrigerant Gas- Manufacturing(Refilling) and Sales	2,010.81	1,325.57
Sale Of Service	3,672.77	3,206.51
Minerals Trading	-	582.06
<b>Total</b>	<b>66,074.43</b>	<b>46,105.11</b>
<b>Segment Results</b>		
(Profit /Loss before Interest and Tax)		
Coal & Ash Handling Business	4,013.31	1,710.76
Solar Power - Generation and Related Activities	-212.53	12.06
Refrigerant Gas- Manufacturing-Refilling &Sales	-141.00	31.60
Sale Of Service	1,825.93	1,070.92
Minerals Trading	-	30.32
Corporate	-1,135.69	-129.72
<b>Total</b>	<b>4,350.02</b>	<b>2725.96</b>
Finance Cost	7.45	24.83
Other Income	459.46	185.38
<b>Profit /Loss before Tax</b>	<b>4,802.03</b>	<b>2,886.51</b>
<b>Particulars</b>	<b>March 31,2020</b>	<b>March 31,2019</b>
<b>Segment Assets</b>		
Coal & Ash Handling Business	1,378.89	11,222.18
Solar Power - Generation and Related Activities	833.17	928.37
Minerals Trading	-	-



Refrigerant Gas- Manufacturing-Refilling & Sales	2,836.26	2,106.68
Sale Of Service	-	-
Corporate	8743.45	1593.68
<b>Total- Segment Assets</b>	<b>13791.77</b>	<b>15850.92</b>
<b>Segment Liabilities</b>		
Coal & Ash Handling Business	2,495.59	11,150.03
Solar Power - Generation and Related Activities	994.71	153.98
Minerals Trading	-	-
Refrigerant Gas- Manufacturing-Refilling & Sales	215.10	241.15
Sale Of Service	1,107.91	-
Unallocated		3,533.07
Corporate	8978.45	772.68
<b>Total-Segment Liabilities</b>	<b>13791.77</b>	<b>15850.92</b>

**35 Disclosure in respect of Indian Accounting Standard (Ind AS)-37 “Provisions, Contingent Liabilities and Contingent Assets”**

These provisions are expected to be settled in the next financial year. Management estimates the provision based on historical information and any recent trends that may suggest future claims could differ from historical amounts.  
(Rs. In lakhs)

Particulars	Opening balance as on 01.04.18	Additions/ Transfers during the year	Utilization during the year	Reversal during the year / Transfers during the years	Closing balance as on 31.03.19
Short term Provision for tax (Net)	646.44	117.67	-	646.44	117.67
Provision for ECL	106.67	129.11	-	-	235.78
Provision for Contingent Liability	-	581.46	-	-	581.46

**36 Disclosure in respect of Indian Accounting Standard 24 “Related Parties Disclosures”**

**a) The names of Related Parties of the Company are as under:**

**(i) Key Managerial Personnels (KMPs)**

Mr. Aniljain - Managing Director

S.GopalKrishnan- Company Secretary

U.Lalitha - Chief Financial Officer

**(ii) Firms/Companies in which Key Managerial Personnel are interested**

Refex Energy Limited

Refex Solar Power Pvt Ltd

Sherisha Technologies Pvt Ltd

Broil Solar Energy Pvt Ltd

SEI CleanTech Pvt Ltd

Ishaan Solar Power Pvt Ltd

SEI Tejas Pvt Ltd

SunEdison Infrastructure Ltd

SunEdison Energy India Pvt Ltd



<b>b) Transactions during the Year ended 31st March 2020</b>			
<b>Name of Related Party</b>	<b>Nature of Transaction</b>	<b>2019-20</b>	<b>2018-19</b>
Aniljain - Managing Director	Director Remuneration	36.00	18.00
	Rental Expenses	19.95	-
U.Lalitha - Chief Financial Officer	Salary & Allowances	13.88	-
S.GopalKrishnan- Company Secretary	Salary & Allowances	3.96	-
<b>Entities in which Key Management personnel are interested</b>			
Broil Solar Energy Pvt Ltd	Reimbursement	2.32	-
Ishaan Solar Power Pvt Ltd	Sales	16.68	-
Refex Energy Limited	Reimbursement	0.35	11.60
	Sales	226.82	724.21
	Purchase	1,622.43	-
Refex Solar Power Pvt Ltd	Interest Income	50.78	-
	Purchase	305.51	460.46
	Reimbursement	3.72	-
	Loan Paid	-	515.60
SEI CleanTech Pvt Ltd	Reimbursement	0.13	-
Sei Tejas Pvt Ltd	Sales	33.71	-
SunEdison Energy India Pvt Ltd	Sales	0.20	-
SunEdison Infrastructure Ltd	Reimbursement	0.55	-
	Sales	48.12	-
Sherisha Technologies Pvt Ltd	Interest Income on Advance	391.82	-
	Rental Income	10.33	-
	Purchase& Reimbursement income	1,177.30	2,675.57
	Net Average Advance paid	3,265.14	4,321.48

<b>C) Cumulative Balances Outstanding during the Year ended 31<sup>st</sup> March, 2020</b>			
<b>Name of Related Party</b>	<b>Group Classification</b>	<b>2019-20</b>	<b>2018-19</b>
<b>Entities in which Key Management personnel are interested</b>			
Refex Energy Limited	Reimbursement Payable	0.27	-4.14
Refex Solar Power Pvt Ltd	Other Current Financial Assets	-	618.02
	Interest Receivable	45.70	-
SEI Cleantech Pvt Ltd	Reimbursement Outstanding	0.14	-
Ishan Solar Power Pvt Ltd	Trade Receivable	10.01	-
Broil Solar Energy Pvt Ltd	Trade Receivable	-	289.83
SEI Tejas Pvt Ltd	Trade Receivable	6.42	-
SunEdison Infrastructure Ltd	Trade Receivable	21.44	-
Sherisha Technologies Pvt Ltd	Advances	700.00	180.03
	Rental Deposit	7.00	7.00
	Interest Receivable	162.87	-



37 COVID-19 has caused significant disruptions to businesses across India. The management has considered the possible effects, if any, that may impact the carrying amounts of inventories, receivables and intangibles (including goodwill). In making the assumptions and estimates relating to the uncertainties as at the balance sheet date in relation to the recoverable amounts, the management has considered subsequent events, internal and external information and evaluated economic conditions prevailing as at the date of approval of these financials results. The management expects no impairment to the carrying amounts of these assets. The management will continue to closely monitor any changes to future economic conditions and assess its impact on the operations.

38 Previous Years figures have been regrouped/ reclassified wherever necessary to confirm to the Current year's Presentation

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**Signature to Notes 1 to 38**

Notes 1 to 38 forms part of the Financials

As per our report of even date attached

**For M. Krishnakumar & Associates,**  
Chartered Accountants

ICAI Firm Registration Number: 0068535

  
  
**M. Krishna Kumar**  
Proprietor

Membership No.: 203929

Firm Registration No. with ICAI: 0068535



Place: Chennai

Date: 30-06-2020

**For and On behalf of the Board of Directors**



**T. Anil Jain**  
Managing Director  
(DIN:00181960)



**Dinesh Kumar Agarwal**  
Director  
(DIN:07544757)



**Pillappan Amalanathan**  
Director  
(DIN:08730795)



**Jamuna Ravikumar**  
Director  
(DIN:08009308)



**U. Lalitha**  
Chief Financial Officer



**S. Gopalkrishnan**  
Company Secretary