



**Refex Industries Limited**

CIN: L45200TN2002PLC049601

[www.refex.co.in](http://www.refex.co.in)

**18<sup>th</sup>**  
**ANNUAL** | **2019-2020**  
**REPORT**

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## CORPORATE INFORMATION

### Board of Directors:

Shri. T. Anil Jain  
*Chairman and Managing Director*

Sri.Dinesh Kumar Agarwal  
*Non-Executive Director*

Sri.Pillappan Amalanathan  
*Independent Director*

Smt. Jamuna Ravikumar  
*Independent Director*

Sri. S. Gopalakrishnan  
*Company Secretary*

Smt. U. Lalitha  
*Chief Financial Officer*

### Auditors

**Mr. M. Krishna Kumar & Associates**

*Chartered Accountants*

New No. 33, (Old No. 17), School View Road,  
R.K. Nagar, Chennai- 600 028

### Bankers

**Indian Overseas Bank**

C & I C Branch

Dr.Radha Krishnan Salai ,  
Mylapore, Chennai – 600 004.

**ICICI Bank Ltd.**

No. 40, Bazullah Road,

T. Nagar,

Chennai – 600 017

### Registered and Corporate Office

11th Floor, BasconFutura IT Park,

New No.10/2, Old No.56L,

Venkat Narayana Road,

T. Nagar

Chennai 600017.

### Registrar and Share Transfer Agents

**Cameo Corporate Services Limited**

“Subramanian Building”

Fifth Floor, No. 1, Club House Road,

Chennai – 600 002



## NOTICE TO SHAREHOLDERS

**NOTICE** is hereby given that 18<sup>th</sup> Annual General Meeting of **REFEX INDUSTRIES LIMITED** will be held on Tuesday the 29<sup>th</sup> day of December 2020 at 11.30 A.M through Video Conference (VC) / Other Audio-Visual Means (OAVM) facility to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - a) The Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon; and
2. To appoint a Director in the place of Sri. Anil Jain (DIN 00181960), who retires by rotation and being eligible, offers himself for reappointment.

### SPECIAL BUSINESS:

3. To consider and if thought fit to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to provisions of section 196,197,198, 203 and other applicable provision if any of the companies act 2013 read with Schedule V thereof, the recommendations of Nomination & Remuneration Committee and the Board of Directors, the consent of Members of the Company be and is hereby accorded for the re appointment of **Shri. T. Anil Jain** (DIN:00181960), as the **Managing Director** of the Company, for a period of three years commencing from 01-07-2020 to 30-06-2023 and payment of remuneration as mentioned below.”

**Salary** : Rs.7,00,000/- per month

**Perquisites** :

- A. Contribution to provident fund as per Companies rules up to a percentage of 12% of the salary as may be amended by the central government from time to time in this regard.
- B. Contribution towards gratuity fund as per Company rules.

“**RESOLVED FURTHER THAT** in the event of the company having no profits or inadequate profits, the company shall pay remuneration subject to the compliance of schedule V of the Companies Act of 2013 without obtaining any further approval from the shareholders.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and

things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

**4.To consider and if thought fit to pass with or without modification the following as a Special Resolution.**

“**RESOLVED THAT** pursuant to the provisions of section 149,150,152,160 and other applicable provision, if any of the Companies Act 2013 and the rules framed there under, read with Schedule IV to the Companies Act, 2013 as amended from time to time and the Companies(Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements} Regulations, 2015, (as amended) and as recommended by the Nomination and Remuneration Committee Sri. Pillappan Amalanathan(DIN: 08730795) who was appointed as an Additional Director effective from 28<sup>th</sup> March 2020 who holds office upto the date of this AGM and in respect of whom the company has received the notice in writing from a member under Section 160 of Companies Act 2013 signifying his intention to propose Sri. Pillappan Amalanathan as a candidate for the office of the director of the Company be appointed as an Non Executive and Independent Director of the Company for a term of 3 years effective from 28<sup>th</sup>March 2020 for the office of the director of the Company not liable to retire by rotation.

**5. To consider and if thought fit to pass with or without modification the following as a Special Resolution.**

“**RESOLVED THAT** in pursuance of Section 185 to the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014 as amended from time and time and all other applicable provisions of the Companies Act, 2013, the consent of the company be and is hereby given to the Board of Directors to lend or extend or advance any loan to and / or to give any guarantee or extend or provide any security in connection with any loan or any borrowing made or to be made by Sherisha Technologies Private Limited , Chennai a company in which one or more of the Board of Directors of the company are interested, up to a total sum not exceeding Rs.50 Crore(Rupees Fifty Crore only) outstanding at any point of time on such terms and conditions as the Board may decide from time to time.”

“**FURTHER RESOLVED** to authorize the Board of Directors to give effect to resolution, including settling any questions or difficulties that may arise in giving effect to this resolution.”

—————//By order of the Board//—————

**For Refex Industries Limited**

Sd/-

**S. Gopalakrishnan**  
**Company Secretary**

Place: Chennai  
Date: 12.11.2020



## Notes

1. The relevant details of a person seeking re-appointment as Director under Item No.2 of the Notice as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with Stock Exchanges is annexed.
2. Members may note that to protect the health and safety of all the stakeholders including the shareholders in view of the continuing COVID-19 pandemic, the 18th Annual General Meeting ("AGM") of the members of the Company will be held as an electronic AGM ("e-AGM") in virtual mode, through Video Conferencing ("VC")/ Other permitted Audio Visual Means ("OAVM"), as permitted by the Ministry of Corporate Affairs ("MCA") vide its circular No. 20/2020 dated May 05, 2020 read with circulars dated 8th April 2020 and 13th April 2020, ("Collectively referred to as MCA circulars") and by the Securities and Exchange Board of India ("SEBI") vide its circular dated 12th May 2020. Accordingly, there will be no physical meeting of the shareholders taking place at a common venue in respect of the 18th AGM. Hence, Members have to attend and participate in the ensuing AGM through VC/OAVM. Further MCA had clarified on extending the relaxation as provided vide Ministry's General Circulars No.14/2020 dated 8th April, 2020, No.17 /2020 dated 13th April, 2020 and No.22/2020 dated 15.06.2020 upto 31<sup>st</sup> December, 2020 through its General Circular vide General Circular No. 33/2020 dated 28<sup>th</sup> September, 2020
3. Pursuant to the MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting
4. The Register of Members and Share Transfer books of the Company will remain closed from 25.12.2020 to 29.12.2020 (Both days inclusive).
5. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM, along with the Annual Report 2019-20, is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website [www.refex.co.in](http://www.refex.co.in), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively
6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. Members holding shares in Dematerialized form are requested to intimate immediately all changes pertaining to their Bank details NECS / ECS, mandates, nominations, power of attorney, change of address / name etc., to their Depository Participant only and not to the Company's Registrar and Transfer Agents (RTA). Changes intimated to the Depository Participant will be automatically reflected in the Company's records which will help the Company and the RTA to provide efficient and better service to the Members. Members holding shares in physical form are requested to advise the above changes to the Company's RTA viz. M/s. Cameo Corporate Services Limited.

8. In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN card to the RTA in the following cases viz. Transfer of Shares, Deletion of Name, Transmission of Shares and Transposition of Shares. Shareholders are requested to furnish copy of PAN card for all the above-mentioned transactions.

9. The Notice is being sent to all the Members, whose names appeared in the Register of Members as on 05/12/2020

The Notice of the meeting is also posted on the website of the Company ([www.refex.co.in](http://www.refex.co.in))

10. Remote e-voting commences on 26.12.2020 at 09.00 A.M. and will end on 28.12.2020 at 5.00 P.M and at the end of e-voting period the facility shall forthwith be blocked. Those Members, who will be present at the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting and otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 22.12.2020 may cast their vote

11. The results for the e-voting shall be declared within 48 hours from the date of AGM held through VC/OAVM. The results, along with Scrutinizer's Report, shall also be placed on the websites of the stock exchanges and the Company.

12. The Company has appointed Mr. R. Muthukrishnan, Practicing Company Secretary, Membership No. FCS 6775, to act as the Scrutinizer for conducting the electronic voting process (including the Ballot form received from the members) who does not have access to the e- voting process in a fair and transparent manner

13. The procedure and instructions for the voting through electronic means is, as follows:

#### **CDSL e-Voting System – For Remote e-voting and e-voting during AGM**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming

AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. Further MCA had clarified on extending the relaxation as provided vide Ministry's General Circulars No.14/2020 dated 8th April, 2020, No.17 /2020 dated 13th April, 2020 and No.22/2020 dated 15.06.2020 upto 31<sup>st</sup> December, 2020 through its General Circular vide General Circular No. 33/2020 dated 28<sup>th</sup> September, 2020

2. 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 MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 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 Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and 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 to at least 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 on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.refex.co.in](http://www.refex.co.in) The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).



7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

**THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins on 26.12.2020 and ends on 28.12.2020. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22.12.2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.OR  
Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from [Login - Myeasi](#) using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first-time user follow the steps given below:

<b>For Shareholders holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the Refex Industries Limited on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on '+'

- (xvi) "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xviii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xix) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xx) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like 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 **investor@cameoindia.com**.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 **investor@cameoindia.com**.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting 21<sup>st</sup> December 2020** mentioning their name, demat account number/folio number, email id, mobile number at [cscompliance@refex.co.in](mailto:cscompliance@refex.co.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [cscompliance@refex.co.in](mailto:cscompliance@refex.co.in). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions, which have already been submitted 7 days in advance, during the meeting.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the 18<sup>th</sup>AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the 18<sup>th</sup>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 available during the 18<sup>th</sup>AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the 18<sup>th</sup>AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the 18<sup>th</sup>AGM. However, they will not be eligible to vote at the 18<sup>th</sup>AGM.

(xxi) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cscompliance@refex.co.in](mailto:cscompliance@refex.co.in) (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr.NitinKunder (022-23058738) or Mr.RakeshDalvi (022-23058542) or Mr.MehboobLakhani (022-23058543).

All grievances connected with the facility for voting by electronic means may be addressed to Mr.RakeshDalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058738 / 022-23058542/43.

21. Pursuant to the Regulation 36(3) of SEBI ( Listing Obligation and Disclosure Regulations ) 2015 the brief profile of Directors eligible for Re- Appointment wide Item Nos 3 and 4 are given below

Particulars	Mr. T. Anil Jain	Mr.Pillappan Amalanathan
DIN	00181960	08730795
Date of Birth	13/09/1976	18/04/1960
Date of Appointment	13/09/2002	28/03/2020
Qualifications	B.Com	B.Com, BL

Experience in specific functional areas	<p>Played a pivotal role in navigating the Company over the last 15 years by overcoming the business challenges, financial problems and other operational difficulties. He has sound knowledge on both segments of the company namely:</p> <p>i) refilling of refrigerant gases</p> <p>ii) solar power generations</p> <p>the company under his guidance has shown improvements in term of turnover and profits</p>	<p>He was standing counsel for Tamil Nadu Industrial Investment Corporation Ltd. for three years, from 1996 to 2000 and was instrumental in defending the Corporation in several cases including suits and writ petitions. He was also the Standing Counsel for Chennai Municipal Corporation from 2001 to 2006 and 1640 cases relating to Food Adulteration and building permit violation the Corporation have been dealt with and disposed of. He have been the panel advocate and have appeared for certain Banks in several cases before the Debt Recovery Tribunal and other courts.</p>
Relationship with any director(s) of the company	None	None
Directorship held in other listed entities	SunEdison Infrastructure Limited	SunEdison Infrastructure Limited
Membership /chairmanship of committees of listed entities	<p><b><u>Refex Industries Ltd</u></b></p> <ul style="list-style-type: none"> <li>• Audit committee-Member</li> <li>• Stakeholder relationship committee-Member.</li> </ul>	<p><b><u>Refex Industries Limited &amp; SunEdison Infrastructure Limited</u></b></p> <ul style="list-style-type: none"> <li>• Audit Committee - Chairman</li> <li>• Nomination and Remuneration Committee - Chairman</li> <li>• Stake Holder Relationship Committee -Chairman</li> </ul>
Number of shares held in the company	48,24,815	

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013  
ANNEXED TO THE NOTICE**

As required by Section 102 of the Companies Act, 2013, in respect of items of Special Business mentioned in the Notice:

**ITEM NO: 3**

The members of the Company at their Fifteenth Annual General Meeting held on 26<sup>th</sup> September 2017 had approved the Appointment of Mr. Anil Jain as Managing Director of the Company for a term of three years from 01.07.2017 to 30.06.2020. Over the years Shri T. Anil Jain is mainly instrumental in navigating the company to the present position in the market after overcoming business challenges/and other operational difficulties. He has sound knowledge in the business segments of the Company, namely refilling of refrigerant gases as well as solar power generation and into the Coal and Ash business.

Considering his high degree of commitment to work and managerial capabilities he possess, the board recommends his reappointment for the further term of three years with effect from 01.07.2020. He holds 48, 24,815 number of equity shares in the Company as on date.

Accordingly the board recommends the resolution said forth in Item No 3 relating to Re Appointment of Shri. Anil Jainasa Managing Directors for the Approval of the members of the Company.

Save and except Shri. T. Anil Jain no other directors or key managerial personnel or their relatives are interested in this resolution.

The terms and conditions of the appointment of the above director shall be open for inspection by the members at the registered office of the company during normal business hours on any working day.

**ITEM NO: 4**

Shri.PillappanAmalanathan (DIN 08730795) was appointed as an Independent Director in the Board Meeting held on 28/03/2020 in line with the provisions of Section 149 (6) Companies Act 2013 to hold office up to the conclusion of the ensuing AGM.A shareholder of the company has proposed his appointment as an Independent cum non-executive Director of the company.

The Company has received a notice in writing pursuant to the Section 160 of the Companies Act 2013 from a member with the deposit of Rs 1,00,000 proposing his candidature of Shri.Pillappan Amalanathan for the office of the Independent Director under the provisions of Section 149 of the Companies Act 2013.

Based on the skill, Experience, Knowledge and Recommendation of the Nomination and Remuneration Committee, the board in line with the Company's policy on Directors appointment and remuneration has proposed the Appointment of Shri. Pillappan Amalanathanas an Independent Director for a period of 3 Consecutive years from 28<sup>th</sup> March 2020 and ending with 21<sup>st</sup> March 2023 as a Director not liable to retire by rotation.

The Company has received from Shri. Pillappan Amalanathan

- i) Declaration in Form MBP – 1 Pursuant to Rule 9(1) of The Companies (Meetings of Board and its Powers) Rules,2014

- ii) Intimation in DIR 8 in terms of Companies (Appointment and Qualifications of director) rules 2014 to the effect that he is not disqualified in the section 164 (2) of the Companies Act 2013 Confirming his eligibility for such re appointment
- iii) Declaration to the effect that he meets the criteria of Independence as provided under section 149(6) of the Companies Act 2013

In the Opinion of the Board Shri.Pillappan Amalanathan fulfils the conditions specified in the Companies Act and the rules framed there under for the Appointment as an Independent Director of the Company and is Independent on the Management.

The Board of directors considers that his continued association would be of immense benefit of the Company and it is desirable to continue to avail the services of Shri. PillappanAmalanathan as an Independent Director. Accordingly, the board recommends the resolution said forth in Item No 4 relating to the Appointment of Shri. PillappanAmalanathanas an Independent Director for the Approval of the members of the Company.

No director, Key managerial personnel or their relatives except Shri. PillappanAmalanathanto whom the resolution relates he is any concerned or interested financially or otherwise in the resolution

#### ITEM NO: 5

Your Company may have certain surplus funds, from time to time, which the Board would decide to deploy in form of inter corporate lending's from time to time to those Companies which the Board may decide to be financially strong. In this course, there may be occasions to lend to Companies or give Guarantee or provide any Security in respect of any loan taken by such Company, in which one or more directors are interested, which is presently permitted under Section 185 to the Companies Act, 2013 subject to the Company passing a special resolution for the proposed lending at a General Meeting.

In the present resolution, the approval of Shareholders is sought for lending to M/s Sherisha Technologies Private Limited, engaged in import, export, manufacture and assemble, air-conditioners, spares for air-conditioners, all other parts and equipment for air-conditioners, also to take up servicing and service contracts for air-conditioners. , and in which the following Director of the Company is interested

1. Mr. T Anil Jain, Managing Director is also Director of Sherisa Technologies Private Limited and holds 51 percentage of Share Capital in that Company

The proposed lending / extension of guarantee or provision of security in respect of any borrowing by Sherisha Technologies Private Limited would be used by such company only for its principal business of the company as aforesaid.

Any such lending to be made by the Company to the borrowing Company would be unsecured and would be made not exceeding a total amount of Rs.50 Crores at any point of time and would carry interest at a rate which the Board may decide from time to time , but not lower than 12 % at any point of time.



The Board of Directors are of the opinion that such Lending and/ or extension of Guarantee or provision of Security in respect of any loan availed or to be availed by Sherisha Technologies Private Limited would not be any way prejudicial to the interest of your Company and would further augment the revenues of the company and benefit the stakeholders.

None of the Directors of the Company or Key Managerial Personnel or their relatives may be deemed to be interested or concerned directly or interested in the proposed resolution except Mr T Anil Jain, Managing Director.

—————//By order of the Board//—————

**For Refex Industries Limited**

**Sd/-**

**S. Gopalakrishnan  
Company Secretary**

**Place: Chennai**

**Date: 12-11-2020**

## DIRECTORS REPORT

### To the Members,

Your Directors have great pleasure in presenting the Eighteenth Annual Report of your Company together with the Audited Statement of Accounts for the year ended March 31, 2020.

### FINANCIAL PERFORMANCE

The key financial parameters for the period under review are as follows.

(Rs. In Lakhs)

Description	Standalone Results		Consolidated Result	
	2019-20	2018-19	2019-20	2018-19
Turnover	66,074.43	46,105.11	66,074.43	46,105.11
Other Income	479.09	185.38	479.09	185.38
Total Income	66,553.52	46,290.48	66,553.52	46,290.48
Expenditure (other than Tax)	61,169.41	43,403.51	61,170.04	43,403.97
Exceptional Items	(581.46)	-	(581.46)	-
Profit before tax	4,802.66	2,886.97	4,802.03	2,886.51
Provision for Income Tax	(1414)	-	(1414)	-
Provision for deferred tax	(75.42)	276.44	(75.42)	276.44
Profit after Income Tax	3,313.25	3,163.41	3,312.61	3,162.95
Earnings Per Share (in Rs.)	21.38	20.44	21.37	20.44

During the year under review the Company achieved a turnover of Rs.66,074.43 Lakhs as against the previous year figure Rs. 46,105.11 Lakhs, registering an increase of nearly 43.31%. The Board of Directors are happy to report a net profit after tax of Rs. 3,312.61 Lakhs as against Rs. 3,162.95 Lakhs for the earlier year registering an increase of more than Rs.149.66 Lakhs.

### DIVIDEND

In order to conserve the resources of the Company your Board has not recommended any dividend for the year ended under review and has transferred the entire amount of profit to the General Reserves.

### COMMITTEES OF THE BOARD:

The details of the Board's Committees – The Audit Committee, The Nomination & Remuneration Committee, Corporate Responsibility Committee and The Stakeholders' Relationship Committee have been disclosed separately in the Corporate Governance Report which is annexed to and forms part of this Annual Report.

**EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:**

No material changes and commitments have occurred after the close of the year till the date of this report which affects the financial position of the Company. 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.

**CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There are no changes in the nature of business of the Company during the financial year under review

**BOARD MEETINGS:**

The Board during the Financial Year 2019-20 met seven (7) times i.e.06.05.2019, 30.05.2019, and 14.08.2019, 13.11.2019, 20.01.2020, 13.02.2020 and 28.03.2020

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

As per Article 35 of the Articles of Association of the Company, Shri Anil Jain Managing Director of the Company retires by rotation in the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board has recommended his re-election. A resolution is proposed for his re-appointment in the notice.

The Independent Directors of the Company have submitted a declaration under Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Section 149(6) of the Act.

During the year, the Non-Executive Director of the Company had no pecuniary relationship or transaction with the Company, other than setting fees and reimbursement of expenses incurred by him for the purpose of attending meetings of the Company.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company are Mr .T. Anil Jain, Managing Director, Mrs. Uthayakumar Lalitha, Chief Financial Officer and Mr. Gopalakrishnan Srinivasan, Company Secretary. There has been no change in the Key Managerial Personnel during the year.

**CHANGES IN THE DIRECTORATE**

During the year Mr. D. Hem Senthil Raj vacated his office from the board pursuant to the notification issued by MCA with effect from 20.01.2020. On the recommendation of nomination and remuneration committee Mr. Pillappan Amalanathan was appointed as an additional director holding Independent charge with effect from 28.03.2020. By virtue of the provision of the section 161 of the act he will vacate office at the ensuing AGM of the company. Requisite notice under section 160 of the act have been received for his appointment. He has filed his consent to act as the director of the company if appointed. Appropriate

resolution seeking your approval to the aforesaid appointment is appearing in the notice convening the 18<sup>th</sup> AGM of the company.

#### **DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:**

The Company has received necessary declaration from all the Independent Directors i.e., Sri. Pillappan Amalanathan and Smt. Jamuna Ravikumar under Section 149(7) of the Companies Act, 2013.

The said Independent Directors of the Company meet the criteria of their Independence as laid down under Section 149(6) of the Companies Act, 2013.

#### **DIRECTOR'S RESPONSIBILITY STATEMENT:**

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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 profit of the Company for that period;
- (c) 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;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) 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.
- (f) 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.

#### **CHANGES IN SHARE CAPITAL**

During the year the authorized share capital of your company was increased from Rs.30,00,00,000 (Rupees Thirty crore only) to Rs.40,00,00,000 (Rupees Forty crore only) divided into 3,50,00,000 (Three crores fifty Lakhs only) equity shares of Rs.10 (Rupees Ten only) each and 5,00,00 (Five Lakhs only) Cumulative Redeemable Preference Shares of Rs.100 (Rupees Hundred only) each.

#### **ISSUE OF RIGHTS SHARES**

In order to give an opportunity to the existing shareholders to increase their holdings, your company is planning to come out with an issue of rights share at a premium. In this connection, the Board of Directors in their meeting held on 10<sup>th</sup> June, 2020 decided to issue 5526848 equity share at the price of Rs.45/-each (including a premium of Rs 35 per equity share) with the ratio of 5 shares for every 14 Equity shares held by the existing Shareholders.

The proceeds of the issue will provide finance for the Working capital needs of the company and to fund for new and increased business verticals of the company

## CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Provisions of section 129 (3) of the Companies Act 2013 the Consolidated financial statements drawn up in accordance with the applicable accounting standards forms part of the report.

## INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES

M/s. Vituza Solar Energy Limited continues to be the wholly owned subsidiary of your Company. The necessary AOC – 1 as required under Sub Section (3) of Section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014 is annexed to the Directors' Report as Annexure No. IV

## EXTRACT OF ANNUAL RETURN:

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an Extract of Annual Return in **FormMGT 9** is annexed to this Report as Annexure and link of the same is posted in the website [www.refex.co.in](http://www.refex.co.in)

## AUDITORS

Pursuant to provisions of Section 139 of the Companies Act 2013 read with Companies (Audit and Auditors) Rules 2014, as amended M Krishnakumar & Associates was appointed as Statutory Auditors of your Company at the 15<sup>th</sup> AGM held on 26<sup>th</sup> September 2017 for a term of five years till the conclusion of 20<sup>th</sup> Annual General Meeting. In accordance with the Companies(Amendment Act 2017 enforced on 7<sup>th</sup> May 2018 by the Ministry of Corporate Affairs the appointment of Statutory Auditors is no longer required to be ratified at every Annual General Meeting. There are No qualifications, reservations or adverse remark given by the Auditors in the report which required an explanation or comments by the Board.

The Statutory Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

## SECRETARIAL AUDIT:

Pursuant to Section 204(1) of the Companies Act 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 the Board of Directors had appointed Mr. R Muthukrishnan, Practising Company Secretary Chennai as the Secretarial Auditor of the Company for conducting the Secretarial Audit for the financial year 2019-20. The Secretarial Audit report for the financial year ended March 31, 2020 is annexed herewith marked as Annexure II and same forms part of this report.

## Reply to the observation of Secretarial Auditor's Report:

The Amount advanced is in the nature of Lease Advances for a proposed lease transaction and the Board is of the considered opinion that such advance shall not fall under the provision of Sec 185 of the Act.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

### (A) Conservation of energy & Technology absorption:

The Company does not engage in manufacturing activity involving energy intensive processes. However, the Company has taken sufficient steps towards general energy saving techniques and conservation.

Given the Nature of Process employed by the Company, there is no technology absorption involved.

**(B) Foreign Exchange Earnings and Outgo:**

Foreign Exchange Earnings	=	INR 283.35 Lakhs
Foreign Exchange Outgo	=	INR 1092.74 Lakhs

**PUBLIC DEPOSITS:**

The Company did not invite or accept any deposits from the Public under Sec 73 of the Companies Act 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

**SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:**

During the year under review No significant and Material orders were passed by the regulators impacting the company as a going concern and its operations.

**INTERNAL FINANCIAL CONTROLS**

The Company has appointed an Internal Auditor, a Chartered Accountant, to ensure the effective functioning of internal financial controls and check whether the financial transaction flow in the organization is being done based on the approved policies of the Company. The Management based on the internal audit observations gives their comments. Further, the Board of Directors of the Company have adopted various policies like Related Party Transactions Policy, Vigil Mechanism, Material Subsidiary Policy for ensuring the orderly and efficient conduct of its business, for safeguarding of its assets for the prevention and detection of frauds and errors and for maintenance of adequate accounting records and timely preparation of reliable financial information.

**VIGIL MECHANISM/WHISTLE BLOWER POLICY**

Pursuant to the provisions of Section 177 (9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations, the Board of Directors had approved the Policy on Vigil Mechanism/Whistle Blower and the same was hosted on the website of the Company.

This Policy inter-alia provides a direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director/employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the Standalone Financial Statement under Note 10 to the Standalone Financial Statement).

**RISK MANAGEMENT POLICY:**

The Company has a Risk Management Committee in place although it is not applicable to it both under the SEBI LODR Regulations 2015 and the Companies Act, 2013. However, the Company has an adequate Risk Management Policy commensurate with its size and operation. Risk Management includes identifying types of risk and its assessment, risk handling, monitoring and reporting.

## **CORPORATE SOCIAL RESPONSIBILITY POLICY**

At Refex, Corporate Social Responsibility has been integral part of the business since its inception. Refex believes in making a difference to the lives of millions of people who are under privileged. It promotes Social and Economic inclusion by ensuring that marginalised communities have equal access to health care services, educational opportunities and proper civic infrastructures. Corporate Social responsibility is embedded in the Refex ethos going hand in hand with the core business of the Company. The Annual Report on CSR Activities undertaken by the Company for the financial year 2019-20 is annexed with the report vide annexure V

## **RELATED PARTY TRANSACTIONS:**

All transactions entered into by the Company with its related parties during the year were in ordinary course of business and on an arm's length basis and did not attract the provisions of Section 188 of the Companies Act, 2013. During the year, the Company had not entered into any arrangement / transaction with related parties which could be considered material in accordance with the Company's Policy on Related Party Transactions and accordingly, the disclosure of Related Party Transactions in Form AOC 2 is not applicable. However, names of Related Parties and details of transactions with them are included in Note no. 36 to the financial statements provided in the Annual Report.

## **DISCLOSURE ABOUT COST AUDIT:**

Maintenance of Cost Records and requirements of Cost Audit as prescribed under the provisions of section 148 (1) of the Companies Act are no applicable for the Business activities of the Company.

## **PARTICULARS OF EMPLOYEES:**

(a) The statement containing particulars of employees as required under Section 197(12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 does not form part of this report. In terms of Section 136 of the Act, the same is open for inspection during working hours at the registered office of your company. A copy of this statement may be obtained by the members by writing to the Company Secretary.

(b) The Ratio of Remuneration of each director to the median remuneration of the employees of the company and other details in terms of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are part of this report as Annexure III.

## **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013**

The Company has been employing Women employees within the premises. The Company has in place an Anti-Harassment Policy in line with the requirements of the Sexual Harassment of Women at work place ( Prevention , Prohibition and Redressal) Act 2013. Internal Complaint Committee has been set up to redress complaints received regularly. There was no complaint received from any Women employee during the financial year 2019-20 and hence no complaint is outstanding as on 31.03.2020 for redressal.

**LISTING WITH STOCK EXCHANGES:**

The Equity Shares of the Company are listed on the following Stock Exchanges:

**i. BSE Limited (BSE)**

No. 25<sup>th</sup> Floor, P.J. Towers, Dalal Street, Fort, Mumbai- 400 001.

**ii. National Stock Exchange of India Limited (NSE)**

Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai- 400 051.

The Stock Codes allotted by these Stock Exchanges are as under:

<b>Name</b>	<b>Code</b>
BSE Limited	532884
National Stock Exchange of India Limited	REFEX

**The Company has paid listing fees to the stock exchanges for the year 2019-20**

**CORPORATE GOVERNANCE**

A detailed report on Corporate Governance pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the BSE and NSE along with the Auditors' certificate on Compliance with the mandatory provisions on Corporate Governance is given as a separate statement in the Annual Report.

The Managing Director has issued necessary certificate to the Board in terms of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended 31 March 2020.

**PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS**

Pursuant to the provisions of the Companies Act of 2013 and Regulation 17 (10) of SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015 ("The Listing Regulation ") the Board has carried out a formal process of performance evaluation of the Board, Committees and Individual Directors. The performance was evaluated based on the parameters such as Composition and Quality of Board members, effectiveness of Board/ Committee process and functioning, Contribution of the Members, Board Culture and dynamics, fulfilment of Key responsibilities, ethics and compliance etc. A Structured questionnaire was prepared covering the above areas of competencies. All the responses were evaluated by the Nomination & Remuneration as well as by the Board of Directors and the results reflected high satisfactory performance.

**MEETING OF THE INDEPENDENT DIRECTORS**

The Independent Director of your Company met once during the year without the presence of Non-Independent Directors. The meeting was conducted in an informal and Flexible manner to enable the Independent Directors Inter alia to discuss matters pertaining to performance of Non-Independent Directors and the Board as a whole , review the performance of the Chairperson of the Company after taking inputs from the executive and Non- Executive Directors.



**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the BSE and NSE for the year under review is given as a separate statement in the Annual Report.

**INSURANCE**

The assets of the Company are adequately insured.

**INDUSTRIAL RELATIONS**

Your Company's Industrial relations continues to be harmonious and cordial.

**ACKNOWLEDGEMENTS:**

Your Directors gratefully acknowledge the excellent support and co – operation extended by all the stakeholders more particularly Bankers, Shareholders, Customers, dealers, regulatory and govt. authorities.

Your Directors also wish to place on record their appreciation of the contribution made by the members of the management team and the employees across all levels for the good work put in, during the year under review.

**For and on behalf of the Board**

Place: Chennai  
Date: 30.06.2020

**Anil Jain**  
Managing Director  
DIN: 00181960

<b>Annexure Number</b>	<b>Details of Annexure</b>
I.	Form MGT 9
II.	Secretarial Audit Report Form MR - 3
III.	Ratio of Remuneration
IV.	Form AOC – 1
V.	Report on Corporate Social Responsibility (CSR)

**ANNEXURE – I**

Form No. MGT 9

**Extract of Annual Return as on the Financial Year Ended on 31/03/2020**  
**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the**  
**Companies (Management and Administration) Rules, 2014]**

**I.REGISTRATION AND OTHER DETAILS:**

- I. CIN** - L45200TN2002PLC049601  
**II. Registration Date** - 13/09/2002  
**III. Name of the Company** - Refex Industries Limited  
**IV. Category / Sub-Category of the Company** - Company Limited by shares  
 / Indian Non- Government Company  
**V. Address of the Registered office and contact details** - 11th Floor, Bascon Futura  
 IT Park, New No. 10/2, Old No. 56L, Venkat Narayana Road, T Nagar Chennai Chennai TN  
 600017  
**VI. Whether listed Company** - Yes / No  
**VII. Name, Address and Contact details of Registrar and Transfer Agent, if any:**

**CAMEO Corporate Services Limited,**  
 "Subramanian Building "V Floor,  
 1, Club House Road,  
 Chennai – 600 002

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of Main Products / Services	NIC Code of the Product/ service	% to total turnover of the Company
1	Solar Power	28150	2.25%
2	Refrigerants Gases	20111	3.04%
3	Trading	47736	89.15%

**III.PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sl. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1	Vituza Solar Energy Limited	U40300TN2014PLC098629	Subsidiary	100%	Sec. 2(87) (ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)										
(i) Category-wise Share Holding										
Name of the Company		: REFEX INDUSTRIES LIMITED								
Face Value		: 10 /-								
Paidup Shares as on 30-Mar-2019		: 15475176								
Paidup Shares as on 31-Mar-2020		: 15475176								
For the Period From		: 30-Mar-2019				To : 31-Mar-2020				
Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>SHAREHOLDING OF PROMOTER AND PROMOTER GROUP</b>									
1.	INDIAN									
a.	INDIVIDUALS/HINDU UNDIVIDED FAMILY	2765739	0	2765739	17.8721	2765739	0	2765739	17.8721	0.0000
b.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	BODIES CORPORATE	2083411	0	2083411	13.4629	2083411	0	2083411	13.4629	0.0000
d.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	DIRECTORS AND THEIR RELATIVES	491052	0	491052	3.1731	491052	0	491052	3.1731	0.0000
		<b>491052</b>	<b>0</b>	<b>491052</b>	<b>3.1731</b>	<b>491052</b>	<b>0</b>	<b>491052</b>	<b>3.1731</b>	<b>0.0000</b>
	<b>SUB - TOTAL (A)(1)</b>	<b>5340202</b>	<b>0</b>	<b>5340202</b>	<b>34.5081</b>	<b>5340202</b>	<b>0</b>	<b>5340202</b>	<b>34.5081</b>	<b>0.0000</b>
2.	FOREIGN									
a.	INDIVIDUALS (NON-RESIDENT INDIVIDUALS/ FOREIGN INDIVIDUALS)	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	INSTITUTIONS	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	<b>SUB - TOTAL (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
	<b>TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)</b>	<b>5340202</b>	<b>0</b>	<b>5340202</b>	<b>34.5081</b>	<b>5340202</b>	<b>0</b>	<b>5340202</b>	<b>34.5081</b>	<b>0.0000</b>

<b>B. PUBLIC SHAREHOLDING</b>										
<b>1. INSTITUTIONS</b>										
a.	MUTUAL FUNDS/UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	2000	0	2000	0.0129	0.0129
e.	INSURANCE COMPANIES	0	0	0	0.0000	0	0	0	0.0000	0.0000
f.	FOREIGN INSTITUTIONAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
g.	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
h.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
i.	ANY OTHER									
	<b>SUB - TOTAL (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>2000</b>	<b>0</b>	<b>2000</b>	<b>0.0129</b>	<b>0.0129</b>
<b>2. NON-INSTITUTIONS</b>										
a.	BODIES CORPORATE	1348690	0	1348690	8.7151	746068	0	746068	4.8210	-3.8941
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	4540371	67	4540438	29.3401	5400656	67	5400723	34.8992	5.5591
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	3306625	0	3306625	21.3672	3194035	0	3194035	20.6397	-0.7275
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	ANY OTHER									
	CLEARING MEMBERS	236214	0	236214	1.5264	96046	0	96046	0.6206	-0.9057
	FOREIGN NATIONALS	0	1200	1200	0.0077	0	1200	1200	0.0077	0.0000
	HINDU UNDIVIDED FAMILIES	361243	0	361243	2.3343	293260	0	293260	1.8950	-0.4393
	NON RESIDENT INDIANS	340564	0	340564	2.2007	401642	0	401642	2.5953	0.3946
		<b>938021</b>	<b>1200</b>	<b>939221</b>	<b>6.0692</b>	<b>790948</b>	<b>1200</b>	<b>792148</b>	<b>5.1188</b>	<b>-0.9503</b>
	<b>SUB - TOTAL (B)(2)</b>	<b>10133707</b>	<b>1267</b>	<b>10134974</b>	<b>65.4918</b>	<b>10131707</b>	<b>1267</b>	<b>10132974</b>	<b>65.4788</b>	<b>-0.0129</b>
	<b>TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)</b>	<b>10133707</b>	<b>1267</b>	<b>10134974</b>	<b>65.4918</b>	<b>10133707</b>	<b>1267</b>	<b>10134974</b>	<b>65.4918</b>	<b>0.0000</b>
	<b>TOTAL (A)+(B)</b>	<b>15473909</b>	<b>1267</b>	<b>15475176</b>	<b>100.0000</b>	<b>15473909</b>	<b>1267</b>	<b>15475176</b>	<b>100.0000</b>	<b>0.0000</b>
<b>C. SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED</b>										
	Promoter and Promoter Group	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Public	0	0	0	0.0000	0	0	0	0.0000	0.0000
	<b>TOTAL CUSTODIAN (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>15473909</b>	<b>1267</b>	<b>15475176</b>	<b>100.0000</b>	<b>15473909</b>	<b>1267</b>	<b>15475176</b>	<b>100.0000</b>	<b>0.0000</b>



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

## ii) Shareholding of promoters

Name of the Company

: REFEX INDUSTRIES LIMITED

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year	FOLIO/DP_CL_ID	PAN	Pledged Shares at beginning of the Year	Pledged Shares at end of the Year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares					
1	ANIL JAIN T HAVING SAME PAN	2085989	13.4795	0.9692	2085989	13.4795	0.9692	0.0000	IN30309310242765	AADPA8582A	150000	150000
1	T.ANIL JAIN	427544	2.7627	0.0000	427544	2.7627	0.0000	0.0000	1204920000003004	AADPA8582A	0	0
2	SHERISHA TECHNOLOGIES (P) LIMITED	1563264	10.1017	0.0000	1563264	10.1017	0.0000	0.0000	IN30309310246313	AAHCS6471P	0	0
2	SHERISHA TECHNOLOGIES PVT. LTD	520147	3.3611	0.0000	520147	3.3611	0.0000	0.0000	12049200000008971	AAHCS6471P	0	0
3	UGAMDEVI JAIN	419052	2.7078	0.0000	419052	2.7078	0.0000	0.0000	12049200000038071	AAHPJ0840J	0	0
4	TARACHAND JAIN	252206	1.6297	0.0000	252206	1.6297	0.0000	0.0000	12049200000038065	AAF PJ8044C	0	0
5	DIMPLE JAIN	72000	0.4652	0.0000	72000	0.4652	0.0000	0.0000	IN30309310247814	AEIPD3757K	0	0

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

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

Name of the Company : REFEX INDUSTRIES LIMITED

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
1	ANIL JAIN T						
	At the beginning of the year 30-Mar-2019	2085989	13.4795	2085989	13.4795	'IN30309310242765	AADPA8582A
	At the end of the Year 31-Mar-2020	2085989	13.4795	2085989	13.4795		
	HAVING SAME PAN						
1	T.ANIL JAIN						
	At the beginning of the year 30-Mar-2019	427544	2.7627	427544	2.7627	'1204920000003004	AADPA8582A
	At the end of the Year 31-Mar-2020	427544	2.7627	427544	2.7627		
2	SHERISHA TECHNOLOGIES (P) LIMITED						
	At the beginning of the year 30-Mar-2019	1563264	10.1017	1563264	10.1017	'IN30309310246313	AAHCS6471P
	At the end of the Year 31-Mar-2020	1563264	10.1017	1563264	10.1017		
	HAVING SAME PAN						
2	SHERISHA TECHNOLOGIES PVT. LTD						
	At the beginning of the year 30-Mar-2019	520147	3.3611	520147	3.3611	'1204920000008971	AAHCS6471P
	At the end of the Year 31-Mar-2020	520147	3.3611	520147	3.3611		
3	UGAMDEVI JAIN						
	At the beginning of the year 30-Mar-2019	419052	2.7078	419052	2.7078	'1204920000038071	AAHPJ0840J
	At the end of the Year 31-Mar-2020	419052	2.7078	419052	2.7078		
4	TARACHAND JAIN						
	At the beginning of the year 30-Mar-2019	252206	1.6297	252206	1.6297	'1204920000038065	AAFPJ8044C
	At the end of the Year 31-Mar-2020	252206	1.6297	252206	1.6297		
5	DIMPLE JAIN						
	At the beginning of the year 30-Mar-2019	72000	0.4652	72000	0.4652	'IN30309310247814	AEIPD3757K
	At the end of the Year 31-Mar-2020	72000	0.4652	72000	0.4652		

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

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

Name of the Company : REFEX INDUSTRIES LIMITED

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
1	TV18 BROADCAST LIMITED						
	At the beginning of the year 30-Mar-2019	275000	1.7770	275000	1.7770	'1204690000002507	AACCG3666M
	Sale 18-Oct-2019	-275000	1.7770	0	0.0000		
	Purchase 25-Oct-2019	275000	1.7770	275000	1.7770		
	At the end of the Year 31-Mar-2020	275000	1.7770	275000	1.7770		
2	NISHA JAIN						
	At the beginning of the year 30-Mar-2019	204542	1.3217	204542	1.3217	'1206810000043853	AALPJ9259K
	Sale 18-Oct-2019	-204542	1.3217	0	0.0000		
	Purchase 25-Oct-2019	204542	1.3217	204542	1.3217		
	At the end of the Year 31-Mar-2020	204542	1.3217	204542	1.3217		
3	RMP INFOTEC PRIVATE LIMITED						
	At the beginning of the year 30-Mar-2019	200000	1.2923	200000	1.2923	'IN30021412392615	AACCR1462N
	At the end of the Year 31-Mar-2020	200000	1.2923	200000	1.2923		
4	ANGEL HOLDINGS PVT LTD						
	At the beginning of the year 30-Mar-2019	150532	0.9727	150532	0.9727	'IN30135620427988	AAHCA6736D
	Sale 05-Apr-2019	-532	0.0034	150000	0.9692		
	Sale 12-Apr-2019	-686	0.0044	149314	0.9648		
	Purchase 19-Apr-2019	700	0.0045	150014	0.9693		
	Sale 24-May-2019	-4014	0.0259	146000	0.9434		
	Sale 31-May-2019	-18500	0.1195	127500	0.8239		
	At the end of the Year 31-Mar-2020	127500	0.8239	127500	0.8239		
5	PRADEEP KUMAR JAIN						
	At the beginning of the year 30-Mar-2019	144389	0.9330	144389	0.9330	'1206810000043868	ACYPJ6551H
	Sale 18-Oct-2019	-144389	0.9330	0	0.0000		
	Purchase 25-Oct-2019	144389	0.9330	144389	0.9330		
	At the end of the Year 31-Mar-2020	144389	0.9330	144389	0.9330		
6	ASHOKKUMAR AGRAWAL						
	At the beginning of the year 30-Mar-2019	133694	0.8639	133694	0.8639	'IN30258210080486	AIEPA7604A
	Purchase 12-Apr-2019	1306	0.0084	135000	0.8723		
	Sale 10-May-2019	-30185	0.1950	104815	0.6773		
	Sale 14-Jun-2019	20000	0.1292	84815	0.5480		
	Sale 21-Jun-2019	-64815	0.4188	20000	0.1292		
	Purchase 05-Jul-2019	12000	0.0775	32000	0.2067		
	Purchase 12-Jul-2019	8000	0.0516	40000	0.2584		
	Sale 19-Jul-2019	-12353	0.0798	27647	0.1786		
	Sale 26-Jul-2019	-8847	0.0571	18800	0.1214		
	Sale 02-Aug-2019	-16914	0.1092	1886	0.0121		
	Purchase 09-Aug-2019	3114	0.0201	5000	0.0323		
	Purchase 16-Aug-2019	9968	0.0644	14968	0.0967		



	Sale 23-Aug-2019	-14968	0.0967	0	0.0000		
	Purchase 20-Sep-2019	8000	0.0516	8000	0.0516		
	Sale 23-Sep-2019	-8000	0.0516	0	0.0000		
	Purchase 29-Nov-2019	20000	0.1292	20000	0.1292		
	Sale 03-Jan-2020	-513	0.0033	19487	0.1259		
	Sale 10-Jan-2020	-9487	0.0613	10000	0.0646		
	Sale 17-Jan-2020	-10000	0.0646	0	0.0000		
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000		
	<b>HAVING SAME PAN</b>						
6	<b>ASHOK KUMAR AGRAWAL</b>						
	At the beginning of the year 30-Mar-2019	73	0.0004	73	0.0004	IN30154954603980	AIEPA7604A
	Purchase 05-Apr-2019	225	0.0014	298	0.0019		
	Sale 17-Jan-2020	-298	0.0019	0	0.0000		
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000		
7	<b>ITI SECURITIES BROKING LIMITED -</b>						
	At the beginning of the year 30-Mar-2019	128017	0.8272	128017	0.8272	1204450000000084	AAACG2063L
	Purchase 17-May-2019	1	0.0000	128018	0.8272		
	Purchase 31-May-2019	1	0.0000	128019	0.8272		
	Purchase 28-Jun-2019	32	0.0002	128051	0.8274		
	Sale 26-Jul-2019	-118051	0.7628	10000	0.0646		
	Sale 02-Aug-2019	-310	0.0020	9690	0.0626		
	Purchase 09-Aug-2019	20311	0.1312	30001	0.1938		
	Sale 16-Aug-2019	-29801	0.1925	200	0.0012		
	Sale 23-Aug-2019	-200	0.0012	0	0.0000		
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000		
	<b>HAVING SAME PAN</b>						
7	<b>ITI SECURITIES BROKING LIMITED -</b>						
	At the beginning of the year 30-Mar-2019	5983	0.0386	5983	0.0386	1204450000000065	AAACG2063L
	Purchase 28-Jun-2019	31	0.0002	6014	0.0388		
	Sale 26-Jul-2019	-6014	0.0388	0	0.0000		
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000		
8	<b>RISSON VARGHESE KUTTATTI</b>						
	At the beginning of the year 30-Mar-2019	114000	0.7366	114000	0.7366	1201090004104639	ADTPK3859M
	Purchase 16-Aug-2019	5000	0.0323	119000	0.7689		
	Purchase 23-Aug-2019	2500	0.0161	121500	0.7851		
	Purchase 30-Aug-2019	7000	0.0452	128500	0.8303		
	Purchase 06-Sep-2019	2000	0.0129	130500	0.8432		
	Sale 18-Oct-2019	-130500	0.8432	0	0.0000		
	Purchase 25-Oct-2019	130500	0.8432	130500	0.8432		
	At the end of the Year 31-Mar-2020	130500	0.8432	130500	0.8432		
9	<b>RAVI BARJATYA</b>						
	At the beginning of the year 30-Mar-2019	99500	0.6429	99500	0.6429	IN30048413346004	ACPPB7700F
	Sale 05-Apr-2019	-3448	0.0222	96052	0.6206		
	Purchase 12-Apr-2019	7835	0.0506	103887	0.6713		
	Sale 10-May-2019	-4500	0.0290	99387	0.6422		
	Sale 17-May-2019	-10202	0.0659	89185	0.5763		
	Sale 24-May-2019	-20000	0.1292	69185	0.4470		
	Sale 31-May-2019	-29185	0.1885	40000	0.2584		





	Sale 07-Jun-2019	-40000	0.2584	0	0.0000		
	Purchase 14-Jun-2019	5000	0.0323	5000	0.0323		
	Sale 21-Jun-2019	-5000	0.0323	0	0.0000		
	Purchase 28-Jun-2019	6972	0.0450	6972	0.0450		
	Sale 05-Jul-2019	-3000	0.0193	3972	0.0256		
	Sale 12-Jul-2019	-1000	0.0064	2972	0.0192		
	Purchase 26-Jul-2019	1000	0.0064	3972	0.0256		
	Purchase 02-Aug-2019	1438	0.0092	5410	0.0349		
	Sale 16-Aug-2019	-1000	0.0064	4410	0.0284		
	Purchase 30-Aug-2019	1000	0.0064	5410	0.0349		
	Purchase 06-Sep-2019	1000	0.0064	6410	0.0414		
	Sale 13-Sep-2019	-3000	0.0193	3410	0.0220		
	Sale 20-Sep-2019	-3410	0.0220	0	0.0000		
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000		
	HAVING SAME PAN						
9	RAVI BARJATYA						
	At the beginning of the year 30-Mar-2019	0	0.0000	0	0.0000	IN30429513346004	ACPPB7700F
	Purchase 20-Sep-2019	2410	0.0155	2410	0.0155		
	Purchase 25-Sep-2019	3000	0.0193	5410	0.0349		
	Sale 27-Sep-2019	-1000	0.0064	4410	0.0284		
	Purchase 04-Oct-2019	2000	0.0129	6410	0.0414		
	Purchase 11-Oct-2019	2000	0.0129	8410	0.0543		
	Purchase 18-Oct-2019	3000	0.0193	11410	0.0737		
	Purchase 25-Oct-2019	2000	0.0129	13410	0.0866		
	Purchase 08-Nov-2019	2000	0.0129	15410	0.0995		
	Sale 15-Nov-2019	-2000	0.0129	13410	0.0866		
	Purchase 29-Nov-2019	1000	0.0064	14410	0.0931		
	Purchase 06-Dec-2019	1000	0.0064	15410	0.0995		
	Sale 13-Dec-2019	-1000	0.0064	14410	0.0931		
	Purchase 03-Jan-2020	20	0.0001	14430	0.0932		
	Purchase 10-Jan-2020	1000	0.0064	15430	0.0997		
	Sale 17-Jan-2020	-1000	0.0064	14430	0.0932		
	Sale 14-Feb-2020	-14430	0.0932	0	0.0000		
	Purchase 06-Mar-2020	15000	0.0969	15000	0.0969		
	Purchase 13-Mar-2020	5000	0.0323	20000	0.1292		
	Purchase 20-Mar-2020	5000	0.0323	25000	0.1615		
	At the end of the Year 31-Mar-2020	25000	0.1615	25000	0.1615		
10	SEEMA JAIN						
	At the beginning of the year 30-Mar-2019	84117	0.5435	84117	0.5435	IN30309310247822	AEZPJ8013K
	At the end of the Year 31-Mar-2020	84117	0.5435	84117	0.5435		
	NEW TOP 10 AS ON (31-Mar-2020)						
11	NAEEM ABDUL KADIR CHOUGLE						
	At the beginning of the year 30-Mar-2019	60815	0.3929	60815	0.3929	IN30021418095451	AFHPC0165Q
	Purchase 17-May-2019	1500	0.0096	62315	0.4026		
	Sale 24-May-2019	-2315	0.0149	60000	0.3877		
	Purchase 31-May-2019	11450	0.0739	71450	0.4617		
	Sale 21-Jun-2019	-6450	0.0416	65000	0.4200		
	Purchase 11-Oct-2019	1160	0.0074	66160	0.4275		
	Purchase 18-Oct-2019	7346	0.0474	73506	0.4749		
	Purchase 25-Oct-2019	1500	0.0096	75006	0.4846		

	Purchase 01-Nov-2019	1140	0.0073	76146	0.4920		
	Purchase 06-Dec-2019	1000	0.0064	77146	0.4985		
	Purchase 03-Jan-2020	1060	0.0068	78206	0.5053		
	Purchase 10-Jan-2020	100	0.0006	78306	0.5060		
	Purchase 17-Jan-2020	1800	0.0116	80106	0.5176		
	Purchase 24-Jan-2020	3950	0.0255	84056	0.5431		
	Purchase 31-Jan-2020	5663	0.0365	89719	0.5797		
	Purchase 07-Feb-2020	1952	0.0126	91671	0.5923		
	Purchase 06-Mar-2020	1940	0.0125	93611	0.6049		
	At the end of the Year 31-Mar-2020	93611	0.6049	93611	0.6049		
12	STANLY JOHN						
	At the beginning of the year 30-Mar-2019	25000	0.1615	25000	0.1615	IN30302850981646	ABTPJ5353P
	Purchase 28-Jun-2019	11000	0.0710	36000	0.2326		
	Purchase 12-Jul-2019	4000	0.0258	40000	0.2584		
	Purchase 19-Jul-2019	100	0.0006	40100	0.2591		
	Purchase 06-Sep-2019	19900	0.1285	60000	0.3877		
	Purchase 18-Oct-2019	20000	0.1292	80000	0.5169		
	Purchase 25-Oct-2019	1100	0.0071	81100	0.5240		
	Purchase 29-Nov-2019	8900	0.0575	90000	0.5815		
	At the end of the Year 31-Mar-2020	90000	0.5815	90000	0.5815		
13	LAKSHMI M						
	At the beginning of the year 30-Mar-2019	50000	0.3230	50000	0.3230	IN30163741173157	AFTPL6609N
	Purchase 05-Apr-2019	7500	0.0484	57500	0.3715		
	Purchase 12-Apr-2019	2500	0.0161	60000	0.3877		
	Purchase 26-Apr-2019	20000	0.1292	80000	0.5169		
	Sale 07-Jun-2019	-10000	0.0646	70000	0.4523		
	Sale 05-Jul-2019	-10000	0.0646	60000	0.3877		
	Sale 12-Jul-2019	-5000	0.0323	55000	0.3554		
	Purchase 19-Jul-2019	7500	0.0484	62500	0.4038		
	Purchase 26-Jul-2019	4500	0.0290	67000	0.4329		
	Purchase 02-Aug-2019	13000	0.0840	80000	0.5169		
	Purchase 25-Sep-2019	9600	0.0620	89600	0.5789		
	Sale 17-Jan-2020	-10100	0.0652	79500	0.5137		
	At the end of the Year 31-Mar-2020	79500	0.5137	79500	0.5137		

**(iv) (a) Shareholding of Directors and Key Managerial Personnel**

SI No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Anil Jain T				
	At the beginning of the year 01-Apr-2019	2513533	16.24	2513533	16.24
	At the end of the Year 31-Mar-2020	2513533	16.24	2513533	16.24
2.	Dinesh Kumar Agarwal				
	At the beginning of the year 01-Apr-2019	Nil	Nil	Nil	Nil
	At the end of the Year 31-Mar-2020	Nil	Nil	Nil	Nil
3	S Gopalakrishnan				
	At the beginning of the year 01-Apr-2019	229	0.0014	229	0.0014
	At the end of the Year 31-Mar-2020	229	0.0014	229	0.0014
4	Pillappan Amalanathan				
	At the beginning of the year 01-Apr-2019	Nil	Nil	Nil	Nil
	At the end of the Year 31-Mar-2020	Nil	Nil	Nil	Nil
5	Jamuna				
	At the beginning of the year 01-Apr-2019	Nil	Nil	Nil	Nil
	At the end of the Year 31-Mar-2020	Nil	Nil	Nil	Nil
6	U Lalitha				
	At the beginning of the year 01-Apr-2019	Nil	Nil	Nil	Nil
	At the end of the Year 31-Mar-2020	Nil	Nil	Nil	Nil

## V. INDEBTEDNESS

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial year:</b>				
i. Principal Amount	21,23,312	17,31,049	-	38,54,361
ii. Interest due but not paid	-	-	-	
iii. Interest accrued but not due	1,66,715	2,90,398	-	4,57,113
<b>Total (i-ii+iii)</b>	<b>22,90,027</b>	<b>20,21,447</b>		<b>43,11,474</b>
<input type="checkbox"/> Addition	7,15,550	0	2,50,00,000	2,57,15,550
<input type="checkbox"/> Reduction	(16,78,690)	(10,54,668)	(1,00,00,000)	1,27,33,358
<b>Net Change</b>	<b>(9,63,140)</b>	<b>(10,54,668)</b>	<b>1,50,00,000</b>	<b>1,29,82,192</b>
<b>Indebtedness at the end of the Financial year:</b>				
i. Principal Amount	12,75,209	9,14,550	1,50,00,000	1,71,89,759
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	51,678	52,229	-	1,04,327
<b>Total (i- ii+ iii)</b>	<b>13,26,887</b>	<b>9,66,779</b>	<b>1,50,00,000</b>	<b>1,72,94,086</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (In Lacs)
		<b>T. Anil Jain</b>	<b>(in Rs.)</b>
	<b>Gross salary</b> (i) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (ii) Value of perquisites u/s 17(2) Income-tax Act, 1961 (iii) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	36.00	36.00
	<b>Stock Option</b>	NIL	NIL

	<b>Sweat Equity</b>	NIL	NIL
	<b>Commission</b>	NIL	NIL
	<b>Others, please specify</b>	NIL	NIL
	<b>Total (A)</b>	36.00	36.00
	<b>Overall Ceiling as per the Act</b>	105.00	105.00

**B. Remuneration to other Directors:**

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
		Hem Senthil Raj	Jamuna Ravikumar	
	<b>Independent Directors Fee for attending Board Committee meetings Commission</b>	40,000	50,000	90,000
	<b>Total (1)</b>			
	<b>Other Non-Executive Directors Fee for attending Board Committee meetings Commission Others, please specify</b>	NIL		
	<b>Total (2)</b>	40,000	50,000	90,000
	<b>Total (B)=(1+2)</b>	40,000	50,000	90,000
	<b>Total Remuneration</b>	40,000	50,000	90,000

\* Mr Pillappan Amalanathan – Independent Director is appointed with effect from 28.03.2020 and no sitting fees is applicable to him for the FY 19-20

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel (in Rs.)			
		CEO	CS	CFO	Total
	<b>Gross salary</b> Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 Value of perquisites u/s 17(2) Income-tax Act, 1961 Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	3,96,000	13,88,000	17,84,000
	<b>Stock Option</b>	-	-	-	-
	<b>Sweat Equity</b>	-	-	-	-
	<b>Commission</b>	-	-	-	-
	<b>Others, please specify</b>	-	-	-	-
	<b>Total (A)</b>	-	3,96,000	13,88,000	17,84,000

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ Court]	Appeal made, if any (give details)
<b>A. Company</b>					
<b>Penalty</b>					
<b>Punishment</b>					
<b>Compounding</b>					
<b>B. Directors</b>					
<b>Penalty</b>					
<b>Punishment</b>					
<b>Compounding</b>					
<b>C. Other Officers in Default</b>					
<b>Penalty</b>					
<b>Punishment</b>					
<b>Compounding</b>					

**ANNEXURE- II**

Form No. MR-3

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2020.**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**To****THE MEMBERS,****REFEX INDUSTRIES LIMITED,****(CIN: L45200TN2002PLC049601),****11th Floor, Bascon Futura IT Park****New No. 10/2, Old No. 56L,****Venkat Narayana Road,****T Nagar****CHENNAI 600 017**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **REFEX INDUSTRIES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the M/s. **REFEX INDUSTRIES LIMITED**'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 audit period covering the financial year ended on 31<sup>st</sup> March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter: The members are requested to read this report along with my letter of even date placed as Annexure 1 to this report

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. REFEX INDUSTRIES LIMITED ("the Company")** for the financial year ended on **31<sup>st</sup> MARCH, 2020** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015

I am informed that for the financial year ended on 31<sup>st</sup> March, 2020:

(a) The company was not required to maintain books, papers, minute books, forms and returns filed or other records according to the provisions of:

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

- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 However the company has filed a draft letter of offer for rights issue with Securities and Exchange Board of India (SEBI) on 31<sup>st</sup> March 2020 through a merchant banker in terms of the said regulation.

The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

(v) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent applicable

(vi) Secretarial Standards, SS1 and SS 2 issued by The Institute of Company Secretaries of India in respect of conduct of Board Meetings and General Meetings respectively.

(vii) Based on the information, representations and explanation s provided by the offices of the company, there are no specific laws applicable to the company for which books, forms and other records needs to be maintained

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

- (i) The Listing Agreements entered into by the Company with following Stock Exchange(s),
  1. National Stock Exchange of India Ltd
  2. Bombay Stock Exchange Ltd





During the period under review, to the best of my knowledge and belief and according to the information and explanation furnished to us, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations as placed in Annexure to this report

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors which includes a woman director. The following changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

1. Vacation of office of Mr Hem Senthil Raj, Independent Director (DIN NO. 06760725) with effect from 20th January 2020 in terms of Section 167 of the Companies Act, 2013
2. Appointment of Mr Pillappan Amalanathan (DIN NO 08730795) as an Non Executive Independent Additional Director of the Company with effect from 28<sup>th</sup> March 2020 by the Board in terms of Section 161 of the Companies Act, 2013.

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 at the meeting.

Majority decision is carried through and I have been informed that there were no dissenting Board members' views that were required to be captured and recorded as part of the minutes.

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

**I further report that** during the audit period the company has no instance of

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation / reconstruction etc.
- (iv) Foreign technical collaborations.
- (v) The company has taken following major decisions during the year

(i) The company has passed necessary special resolution for amending the Capital Clause of the Memorandum of Association for amending the Authorized Capital of the company in pursuance of Section 64(1) of the Companies Act,2013 and the provisions of the said Act, have been complied with.

(ii) The company has passed necessary special resolution for amending the Object Clause of the Memorandum of Association in pursuance to Section 13 of the Companies Act, 2013 for amending the main objects of the company and the provisions of the said Act have been complied with and the said special resolution has been registered with Registrar of Companies, Tamil Nadu.

Place : Chennai  
Date : 30.06.2020  
UDIN F006775B000403182

Signature:

R MUTHU KRISHNAN  
FCS No 6775.  
C P No.:3033

#### **LIST OF OBSERVATIONS**

**1. (a) During the year the company has advanced moneys to an entity in which a director of the company is interested within the meaning of clause (a) and (b) to Explanation to Section 185 (2) of the Companies Act,2013 and the amount outstanding at the end of the year stands at Rs.700 Lakhs and the same has been classified as lease deposit.**

**The total interest outstanding on the loans made to companies in which a director of the company is interested within the meaning of clause (a) and (b) to Explanation to Section 185(2) of the Companies Act,2013 is Rs.209.57 Lakhs as at 31<sup>st</sup> March 2020.**

**The said advancing of loan by the company is in non compliance of Section 185 of the Companies Act, 2013**

**Annexure A' to Secretarial Audit Report dated 30<sup>th</sup> June 2020**

**The Members**

**REFEX INDUSTIRES LIMITED**

**(CIN: L45200TN2002PLC049601),**

**11th Floor, Bascon Futura IT Park**

**,New No. 10/2, Old No. 56L,**

**Venkat Narayana Road,**

**T Nagar**

**CHENNAI 600 017**

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 express an opinion on these secretarial records based on my 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 I followed provide a reasonable basis for 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 happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures 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.

**Place : Chennai**

**Date : 30.06.2020**

**Signature:**

**R MUTHU KRISHNAN**

**FCS No 6775.**

**C P No.:3033**

## Annexure-III

## Ratio of Remuneration

Particulars required to be disclosed under Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl.No.	Particulars	
(i)	The ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2019-2020	
	The Company is paying remuneration only to the Managing Director. Other directors are not paid. The ratio of Remuneration of Managing Director to the median Remuneration is 15.92 times.	
(ii)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any in the Financial Year.	
	Mr. T. Anil Jain, Managing Director	100
	Mr. S. Gopalakrishnan, Company Secretary	10
	Mrs. U. Lalitha, Chief Financial Officer	35
(iii)	The percentage increase in the median remuneration of employees in the Financial Year	13.39%
(iv)	The explanation on the relationship between average increase in remuneration and Company performance	
	Average increase in remuneration of employees in the Financial Year (in percentage)	46.70%
	Increase in Turnover (in percentage)	43.77%
	Increase in PAT /( decrease in loss) (in percentage)	4.7%
	Increase in EPS (in percentage)	4.6%

Comparison of the remuneration of Key Managerial Personnel against the performance of the Company			
Particulars	Managing Director	Chief Financial Officer	Company Secretary
Remuneration (Rs. In lacs)	36	13.59	3.96
Revenue (Rs. In lacs)	66553	66553	66553
Remuneration (as % of Revenue)	0.05	0.02	-
(v) (a)	Variations in the market capitalization of the Company as at the closing date of the current Financial year and the previous financial year	<b>(Rs in Crores)</b>	
	Market capitalization as at 31.03.2019	<b>77.37</b>	
	Market capitalization as at 31.03.2020	<b>98.57</b>	
(v) (b)	Variations in the Price Earning Ratio as at the closing date of the Current Financial Year and the previous Financial Year		
	Price Earning Ratio as at 31.03.2019	<b>2.5 Times</b>	
	Price Earning Ratio as at 31.03.2020	<b>3.04 Times</b>	
	Increase / Decrease in Price Earning Ratio	<b>0.54 Times</b>	
(v) (c)	Percentage increase or decrease in the market quotation of shares of the Company at the close of the previous Financial Year comparison to the rate at which the Company came out with the last public offer		
	Rate at which public issue was made	<b>Rs 65</b>	
	Market price as at 31.03.2020	<b>Rs 63.70</b>	

	Increase (decrease) in Market price %	Decrease by 2%
(vi)	The average percentile increases already made in the salaries of employees other than the Managerial Personnel in the previous financial year, and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration.	The average salary of the employees has increased by 46.70%. The Managerial Remuneration are considered by the Board of Directors based on the recommendation of the Nomination & Remuneration Committee in line with with the Remuneration policy for the directors, Key Managerial Personnel and other employees after taking into account their individual qualifications, experience and other parameters. Wherever required approval of the shareholders is also obtained
(vii)	The ratio of remuneration of the highest paid director to that of the employees who are not directors but receiving remuneration in excess of the highest paid director during the year	N.A
(viii)	Affirmation that the remuneration is as per the Remuneration policy of the Company	It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company in respect of Directors, Key Managerial personnel and other employees.

## Annexure – IV

### Form AOC-1 for the year ending 31.03.2020

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

#### Statement containing salient features of the financial statement subsidiaries/associate companies/joint ventures

#### Part "A": Subsidiaries

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

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Vituza Solar Energy Limited
2.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	There is no change in the reporting period with that of its Holding Co.
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A
4.	Share capital	5,00,000
5.	Reserves & surplus	(5,21,741)
6.	Total assets	(21,741)
7.	Total Liabilities	(21,741)
8.	Investments	NIL
9.	Turnover	NIL
10.	Profit before taxation	(63,590)
11.	Provision for taxation	NIL
12.	Profit after taxation	(63,590)
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: The above-mentioned subsidiary Company is yet to commence its operations.
- Names of subsidiaries which have been liquidated or sold during the year. N.A

#### "Part B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures are not applicable since the Company does not have any Associates / Joint Venture – Nil

## ANNEXURE V

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

Your Company has constituted a Corporate Social Responsibility committee (CSR) pursuant to provisions of Section 135 of The Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are provided herein below:

**You're Company CSR Policy:**

At Refex, Corporate Social Responsibility has been integral part of the business since its inception. Refex believes in making a difference to the lives of millions of people who are under privileged. It promotes Social and Economic inclusion by ensuring that marginalized communities have equal access to health care services, educational opportunities and proper civic infrastructures. Corporate Social responsibility is embedded in the Refex ethos going hand in hand with the core business of the Company

**Corporate Social Responsibility Committee Comprises of One Independent Director, One Non-Executive Director and one Promoter Director**

S.No	Name of the Member	Category
1	Sri Pillappan Amalanathan - Chairman	Independent Director
2	Sri. T. Anil Jain	Promoter Director
3	Sri. Dinesh Kumar Agarwal	Non-Executive Director

**Average Net profit before tax for the last three financial year (PBT)**

FY	Net Profit before tax (in lakhs)
16-17	53.32171
17-18	173.82282
18-19	2886.97
<b>Total profit of preceding 3 FY</b>	<b>3114.11453</b>
<b>Average NP of preceding 3 FY</b>	<b>1038.038177</b>
<b>2% limit</b>	<b>20.76076353</b>



Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) is 20.76 Lakhs

Total amount Spent on CSR for the financial year: 138 Lakhs

Total Money unspent: NIL

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

S l. N o.	CSR project or activity identified	Sector in which the project is covered	Projects or programs		Amount outlay (budget) project or programs wise	Amount spent on the projects or programs	Cumulative expenditure up to the reporting period	Amount spent : Direct or through impleme nting agency
			Local area or other	Specify the State and district where projects or programs was undertaken				
1	Shraman Arogyam	Medical  Treatm ent	Mum bai	Maharashtra	1,00,000	1,00,000	1,00,000	Through implemen ting agency
2	Rajastha n Cosmo Club Foundati on	Eradic ating poverty	Chen nai	Tamil Nadu	7,00,000	7,00,000	8,00,000	Through implemen ting agency
3	JITO Administr ative Training Foundati on	Promot ing educati on	Mum bai, Delhi	Maharashtr a/NCR	50,00,000	50,00,000	58,00,000	Through implemen ting agency

4	JITO Administrative Training Foundation	Promoting education	Mumbai, Delhi	Maharashtra/NCR	55,00,000	55,00,000	1,13,00,000	Through implementing agency
5	JATF Hostel Trust	Promoting education	Chennai	Tamil Nadu	25,00,000	25,00,000	1,38,00,000	Through implementing agency

## REPORT ON CORPORATE GOVERNANCE

### CORPORATE GOVERNANCE PHILOSOPHY

The Company is committed to ensure high standards of transparency and accountability in all its activities. The best management practices and high levels of integrity in decision making are followed to ensure long term wealth generation and creation of value for all the stakeholders. The Company follows all the principles of Corporate Governance in its true spirit.

### 1. BOARD OF DIRECTORS:

#### a) COMPOSITION

The Board consists of four (4) Directors as on 31<sup>st</sup> March 2020. The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The day-to-day management of the Company is carried on by Mr. Anil Jain, the Managing Director of the Company.

Chairman and Managing Director	Mr. T. Anil Jain
Non-Executive and Independent Directors	<ul style="list-style-type: none"> <li>• Mr. Dinesh Kumar Agarwal ( Non-Executive)</li> <li>• Mr. D.Hem Senthil Raj (Independent Director) (Till 20.01.2020)</li> <li>• Mrs. Jamuna Ravikumar (Independent Director)</li> <li>• Mr Pillappan Amalanathan( Independent Director) ( From 28.03.2020)</li> </ul>

All Independent Directors possess the requisite qualifications and are very experienced in their own fields. They are not liable to retire by rotation. None of the Directors are members of more than ten Committees or chairman of more than five Committees in Public Limited Companies in which they are Directors. Necessary disclosures have been obtained from all the Directors regarding their Directorship which have been taken on record by the Board.

The names of the Directors and the details of other chairmanship/Directorship/Committee membership of each Director as on 31<sup>st</sup> March 2020 is given below:

S.NO	Name of Directors	Category	Number of Directorships in other companies		Number of Committee memberships in other companies	
			Chairman	Director	Chairman	Member
1	Mr. Anil Jain	Executive Director	0	1	0	0
2	Mr. Dinesh Kumar Agarwal	Non-Executive Director	0	0	0	0
3	Mr Pillappan Amalanathan	Non-Executive Independent Director	0	1	2	2
4	Mrs. Jamuna Ravikumar	Non-Executive Independent Director	0	2	0	3

**NOTE:**

- a. Other Directorships exclude Foreign Companies, Private Limited Company, Section 8 Companies and Alternate Directorships.
- b. Only membership in Audit Committee and Stakeholder's Relationships Committee has been reckoned for other Committee memberships.
- c. **Board Meetings and Attendance at Board Meetings**

The Board met four (7) times i.e., on 06.05.2019, 30.05.2019, 14.08.2019, 13.11.2019, 20.01.2020, 13.02.2020 and 28.03.2020 during this financial year 2019-2020. The actual time gap between any two meetings was well within the maximum allowed period of 120 days.

The relevant details are as under:

S.NO	DATE	BOARD STRENGTH	NO. OF DIRECTORS PRESENT
1	06.05.2019	4	4
2	30.05.2019	4	4
3	14.08.2019	4	4
4	13.11.2019	4	4

5	20.01.2020	3	3
6	13.02.2020	3	3
7	28.03.2020	4	4

The Company places before the Board all those details as required under Regulation 17(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The dates for the Board Meetings are fixed after taking into account the convenience of all the Directors and sufficient notice is given to them. Detailed Agenda notes are sent to the Directors. All the information required for decision making are incorporated in the agenda. Those that cannot be included in the Agenda are tabled at the meeting. The Chairman and the Managing Director appraise the Board on the overall performance of the Company at every Board Meeting. Legal issues, write-offs, provisions, purchase and disposal of Capital Assets are all brought to the notice of the Board. The Board reviews performance, approves Capital Expenditures, sets the strategy the Company should follow and ensures financial stability. The Important decision taken at Board Meetings are communicated to the concerned departments, divisions of the Company for taking necessary actions

The Board also takes on record the declaration made by the Company Secretary, Chairman and Managing Director and the Chief Financial Officer regarding compliances of all laws on a quarterly basis.

d) **Disclosure of relationship between Directors inter-se:** None of the Directors are related to each other.

e) **Attendance of each Director at Board Meetings and at the previous Annual General Meeting (AGM)**

S.NO	NAME	NO. OF BOARD MEETINGS HELD	NO. OF BOARD MEETINGS ATTENDED	ATTENDANCE AT THE LAST AGM
1	Mr. T. Anil Jain	7	7	Present
2	Mr. Dinesh Kumar Agarwal	7	7	Present
3	Mr. D. Hem Senthil Raj	4	4	Absent
4	Mrs. Jamuna Ravikumar	7	7	Present
5	Mr Pillappan Amalanathan	1	1	NA

## 2. AUDIT COMMITTEE

The Audit Committee assists the Board in the dissemination of financial information and in overseeing the financial and accounting procedures followed by the Company. The terms of reference of the audit Committee covers all matters specified in Regulation 18(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and also those specified in section 177 of the companies Act 2013. The terms of reference broadly include review of Internal Audit Reports and action taken reports, assessment of the efficacy of the Internal Control Systems/ Financial Reporting System and reviewing the adequacy of the Financial Policies and Practices followed by the Company. The Audit Committee reviews the compliance with legal and statutory requirements, the quarterly and annual financial statements and related party transactions. A report on its finding relating to the periodical Financial Statements is sent to the Board. The Committee also recommends the appointment of Internal Auditor, Secretarial Auditor and Statutory Auditor. The Audit Committee takes notes of any default in the payments to creditors and shareholders. The Committee also looks into those matters specifically referred to it by the Board. The Audit Committee comprises of Two Independent and One Non-Executive Director.

S.NO	NAME OF THE MEMBERS	CATEGORY
1	Shri. Mr Pillappan Amalanathan Chairman *	Independent Director
2	Shri. Dinesh Kumar Agarwal	Non-Executive Director
3	Smt. Jamuna Ravikumar	Independent Director
4	Shri Hem Senthil Raj (Till 20.01.2020)	Independent Director

**\*Mr Hem Senthil Raj vacated the office as Independent Director and Chairman of the Committee with effect from 20.01.2020 and Mr Pillappan Amalanathan was appointed on 28.03.2020 as an Independent Director in place of Mr Hem Senthil Raj.**

The Composition of the Audit Committee is in compliance with Provision of Section 177 of the Companies Act 2013 and Regulation 18 of Listing of Regulation

All the members of the Committee are financially literate and have relevant finance/audit exposure. The Chief Financial Officer and Internal Auditor are permanent invitees to the Meetings of the Committee. The other Directors are invited to attend the audit Committee meetings as and when required. The Company Secretary acts as the Secretary to the Committee. The composition of the Audit Committee is as per Regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The Audit Committee met four times on 30.05.2019, 14.08.2019, 13.11.2019 and 13.02.2020 during the year 2019-20.

Attendance of details of the Members are given below

NAME OF THE MEMBERS	CATEGORY	NUMBER OF MEETINGS ATTENDED
Mr. D. Hem Senthil Raj – Chairman	Independent Director	3
Mr. Dinesh Kumar Agarwal	Non-Executive Director	4
Mrs. Jamuna Ravikumar	Independent Director	4
Mr Pillappan Amalanathan	Independent Director	0

In terms of Regulation 17 (8) of SEBI(Listing Obligations and Disclosure Requirements) Regulation , 2015 CFO has certified to the Board that the financial statements present a true and fair view of the Company's affairs and are in compliance with Indian accounting standards

### 3. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of two Independent Directors and one Non-Executive Director

#### (II) Composition of Committee

S.NO	NAME OF THE MEMBERS	CATEGORY
1	Shri. Mr Pillappan Amalanathan Chairman *	Independent Director
2	Shri. Dinesh Kumar Agarwal	Non-Executive Director
3	Smt. Jamuna Ravikumar	Independent Director
4	Shri Hem Senthil Raj (Till 20.01.2020)	Independent Director

**\*Mr Hem Senthil Raj vacated the office as Independent Director and Chairman of the Committee with effect from 20.01.2020 and Mr Pillappan Amalanathan was appointed on 28.03.2020 as an Independent Director in place of Mr Hem Senthil Raj.**

This Committee recommends the appointment/ reappointment of executive Directors and the appointments of employees from the level of Vice President and above along with the remuneration to be paid to them. The remuneration is fixed keeping in mind the candidate's track record, his/her potential individual performance, the market trends and scales prevailing in the similar industry. The Nomination and Remuneration Committee comprises of Non-Executive and Independent Directors. Mr Pillappan Amalanathan is the Chairman of the Committee; Mr. Dinesh Kumar Agarwal and Mrs. Jamuna

Ravikumar are the other members. The Company Secretary is the Secretary to the Committee. The Nomination and Remuneration Committee met two times on 06.05.2019 and 27.03.2020, during the year 2019-20.

**Attendance of details of the Members are given below**

NAME OF THE MEMBERS	CATEGORY	NUMBER OF MEETINGS ATTENDED
Mr. D. Hem Senthil Raj – Chairman	Independent Director	1
Mr. Dinesh Kumar Agarwal	Non-Executive Director	2
Mrs. Jamuna Ravikumar	Independent Director	2
Mr Pillappan Amalanathan	Independent Director	0

**Brief description of Terms of Reference:**

The role, terms of reference and powers of Nomination and Remuneration Committee includes the following:

- i) To identify persons who are qualified to become Directors and who may be appointed in senior management.
- ii) To evaluate the performance of all Directors.
- iii) To formulate a criteria for evaluation of Independent Directors and the Board.
- iv) To devise a policy on the Board diversity.
- v) To carry out any other functions as may be assigned by the Board from time to time and/ or enforced by any statutory notification, amendment or modification, as may be applicable.
- vi) To attend to such other functions as may be necessary or appropriate for the performance of its duties.

**(III) NOMINATION AND REMUNERATION POLICY:**

The policy inter alia provides for the following:

- (a) Attract, recruit, and retain good and exceptional talent;
- (b) List down the criteria for determining the qualifications, positive attributes, and independence of the Directors of the Company and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees;
- (c) Ensure that the remuneration of the Directors, key managerial personnel and other employees is performance driven, motivates them, recognizes their merits and achievements and promotes excellence in their performance;



- (d) To review market practices and to decide / make recommendations to the Board on remuneration packages applicable to the Managing Director, Executive Director and the Senior Executives of the Company.
- (e) To motivate employees to align their individual interests with the interests of the Company;
- (f) To decide on the commission and / or other incentives payable taking into account the individual's performances as well that of the Company.
- (g) To assess the overall compensation structure and the policies of the Company with an objective to attract, retain and motivate employees, consider grant of stock options to employees etc.
- (h) To review the compensation levels of the company's employees vis a vis the other companies in the same field and industry in general
- (i) To examine and recommend / approve payment of remuneration to the Managerial Personnel in line with the requirements of schedule V to the Companies Act 2013.
- (j) To ensure a transparent nomination process for Directors with the diversity of thought , experience , knowledge , perspective and gender in the Board ; and
- (k) To fulfill the Company's objective and goals, including establishment of sound Corporate Governance practices, operating to the highest level of transparency and integrity in the day to day business and enhances stakeholders value

#### **(IV) CRITERIA FOR MAKING PAYMENT TO NON-EXECUTIVE DIRECTORS:**

No remuneration/commission was paid to any of the non-executive Director or independent Directors during 2019-20. The Company does not have any pecuniary relationships or transactions with non-executive Directors during 2019-20.

#### **4. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Committee is required to meet regularly to approve share transfers, transmissions, issue of duplicate share certificates, re-materialization of shares in the physical form as per the time limits and procedures specified in the Regulation 40 of SEBI (LODR) Regulation, 2015 and all other issues pertaining to shares and also to redress investor grievance like non-receipt of dividend warrants, non-receipt of share certificates, etc. The Committee regularly reviews the movement in shareholding and ownership structure. The Committee also reviews the performance of the Registrar and share transfer agents. During the financial year 2019-20 the committee met only once on 28.03.2020 to review status of the investor complaints/grievance from the start of the financial year 2019-20 the Company has resolved all the grievances received from the shareholders.

**The Stakeholders Relationship Committee Comprises of Two Independent Directors, One Non-Executive Director and one Promoter Director**

S.No	Name of the Member	Category
1	Sri. D. Hem Senthil Raj – Chairman till ( 20.01.2020)	Independent Director
2	Sri. T. Anil Jain	Promoter Director
3	Smt. Jamuna Ravikumar	Independent Director
4	*Sri Pillappan Amalanathan	Independent Director

**\*Mr Hem Senthil Raj vacated the office as Independent Director and Chairman of the Committee with effect from 20.01.2020 and Mr Pillappan Amalanathan was appointed on 28.03.2020 as an Independent Director in place of Mr Hem Senthil Raj.**

SEBI vide circular Ref: CIR/OIAE/2/2011 dated June 3, 2011 informed the Company that they had commenced processing of investor complaints in a web based complaints redress system "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES. It is found that no investor has made any complaints against the Company under SCORES.

Mr. S. Gopalakrishnan, Company Secretary is the compliance officer of the Company. For any clarification/complaint the shareholders may contact Mr. S. Gopalakrishnan, Company Secretary at the registered office of the Company.

## 5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

For Refex Industries Limited, responsible business practices include being responsible for our business processes, engaging in responsible relations with employees, customers and the community. Hence for the Company, Corporate Social Responsibility goes beyond just adhering to statutory and legal compliances, and creates social and environmental value while supporting the company's business objectives and reducing operating costs, and at the same time enhancing relationships with key stakeholders and customers. Annexure V is forming part of this report about the activities of CSR undertaken by the Company

**Corporate Social Responsibility Committee Comprises of One Independent Director, One Non-Executive Director and one Promoter Director**

S.No	Name of the Member	Category
1	Sri Pillappan Amalanathan - Chairman	Independent Director
2	Sri. T. Anil Jain	Promoter Director
3	Sri. Dinesh Kumar Agarwal	Non-Executive Director

## 5. MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors of the Company had met once during the year and reviewed the performance of Non-Independent Directors, the Board as a whole, and that of Chairperson of the Company and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

## 6. FAMILIARISATION PROGRAMME FOR DIRECTORS:

Refex believes that a Board which is well informed / familiarized with the company and its affairs can contribute significantly while discharging its role of trusteeship in a manner that fulfills stakeholder's aspiration and societal expectations. In pursuit of this, the Directors of the Company are updated on changes/ developments in the domestic/ global corporate and industry scenario including those pertaining to Statutes/ Legislations and the economic environment and on matters affecting the Company to enable them to take well informed and timely decisions.

## 7. REMUNERATION PAID TO DIRECTORS

Out of the total four (4) Directors, only one is an Executive Director. The remuneration payable to the Director is determined by the Board on the recommendation of the Nomination and Remuneration Committee. This is subject to the approval of the shareholders at the Annual General Meeting and that of the Central Government and such other authorities as maybe necessary. The Non-Executive Directors do not draw any remuneration from the Company.

**a) Details of remuneration paid to the Executive Director during the financial year 2019-20 :  
Rs 36,00,000/-**

**b) Details of sitting fees paid to Non-Executive Directors during the financial year 2019-20 :**  
The Company has paid a sum of Rs. 90,000/- toward sitting fees to the non-executive Directors. The Company has no pecuniary relationship or transactions with its Non-Executive Directors during the financial year ended 31<sup>st</sup> March, 2020.

**c) Details of shareholding of Directors as on 31<sup>st</sup> March 2020**

As on 31<sup>st</sup> March 2020, the Company had one (1) Executive Director and three (3) Non-Executive Director. The said Executive Director, Mr. T. Anil Jain holds 25, 13,533 equity shares in the Company. The Non –Executive Directors do not hold any shares in the Company.

### 8. Annual General Meetings and Extraordinary General Meetings

The details of the Annual General Meetings/Extraordinary General Meetings held in the last three years are as follows:

Annual General Meetings of the Company:

Venue	Financial Year	Date	Time
Nahar Hall, Deshabandhu Plaza, 1 <sup>st</sup> floor, 47, Whites Road, Royappettah, Chennai 600 014	2016-2017	26 <sup>th</sup> September, 2017	3.30 P.M
<b>Bharatiya Vidya Bhavan</b> <sup>®</sup> , East Mada Street, Mylapore , Chennai – 600 004	2017-2018	31 <sup>st</sup> July 2018	10.30 A.M
Nahar Hall, Deshabandhu Plaza, 1 <sup>st</sup> floor, 47, Whites Road, Royappettah, Chennai 600 014	2018-19	30 <sup>th</sup> September 2019	3.30 P.M

The details of special resolutions passed in AGM in the last three years are as follows:

AGM	Subject
AGM during the year 2016-2017= 26.09.2017	Re-appointment of T. Anil Jain as Managing Director Re-appointment of D. Hem Senthil Raj as Independent Director Increase the Borrowing Powers of the Company
AGM during the year 2017-2018= 31.07.2018	Re Classification of Jagdish Jain, Promoter as Public Shareholder. Re Classification of Seema Jain, Promoter as Public Shareholder. Increasing the Investment and Lending powers of the Company under Section 186 of Companies Act 2013

AGM during the year 2018-2019= 30.09.2019	<p>Increase in Authorized Capital of the Company from 30 crores to 40 Crores</p> <p>Amendment in the Main objects of the Company</p> <p>Increase in the remuneration of Mr Anil Jain, Managing Director of the Company</p>
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**E-Voting:**

Three special resolutions were passed by the shareholders of the Company through e - voting during the year 2019-20

**9. Subsidiary companies**

The financials of the Subsidiary Company viz., M/s Vituza Solar Energy Limited have been duly reviewed by the Audit Committee and by the Board. The Board minutes of the Unlisted Subsidiary Company are placed before the Board. The Board is also periodically informed about all significant transactions and arrangements entered into by the subsidiary Company. The Company has also formulated a policy for determining the Material Subsidiary and the details of such policies are disseminated in the website of the Company

[https://www.refex.co.in/pdf/Policy\\_for\\_determining\\_Material\\_Subsiary.pdf](https://www.refex.co.in/pdf/Policy_for_determining_Material_Subsiary.pdf)

**10. Vigil Mechanism/ Whistle Blower Policy**

The Company has an established mechanism for Directors/Employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of Directors/employees who avail of the mechanism. The Company affirms that no personnel have been denied access to the Audit Committee. The Company has formulated a Policy of Vigil Mechanism and has established a mechanism that any personnel may blow the whistle on any misconduct or unethical activity taking place in the Company. All suspected violations such as abuse of authority, misconduct, fraud, Misappropriation of assets, Non Compliance to code of conduct are reported to the Chairman of the Audit Committee. The Audit Committee reviews the functioning of the Whistle Blower and Vigil mechanism and ensures that the policy is adhered to both in Letter and spirit.

**11. Disclosures****Related Party Transactions:**

There were no materially significant related party transactions with the Company's promoters, Directors, the management, their subsidiaries or relatives which may have potential conflict with the interests of

the Company at large. The necessary disclosures regarding transactions are given in the notes to accounts. The Company has also formulated a policy on dealing with the Related Party Transaction and necessary approval of the audit Committee and Board of Directors were taken wherever required in accordance with the policy.

The Company has also formulated a policy for determining the Material RPT and the details of such policies for dealing with the Related Party Transactions are disseminated in the website of the Company ([https://www.refex.co.in/pdf/Policy\\_on\\_Related\\_Party\\_Transaction.pdf](https://www.refex.co.in/pdf/Policy_on_Related_Party_Transaction.pdf))

### 12. Accounting Treatment:

The Company is following the Indian accounting standards with effect from 01.04.2017.

### 13. Compliances:

The Company has fully complied with the statutory requirements under the Companies Act 2013 and SEBI (LODR) Regulations, 2015.

### 14. Means of Communication

- a) The Unaudited Quarterly Results of the Company are published in leading newspapers such as News Today and Malai Sudar. These are not sent individually to the shareholders.
- b) The Company's website address is: [www.refex.co.in](http://www.refex.co.in). The website contains basic information about the Company and such other details which are required under the listing agreement and relevant SEBI regulations. The Company ensures periodical updation of its website. The Company has a designated email-id [admin@refex.co.in](mailto:admin@refex.co.in) to enable the shareholders to register their grievances.
- c) Pursuant to the relevant regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all data related to quarterly financial results, shareholding pattern, etc., are filed with stock exchanges within the time frame prescribed in this regard.
- d) No presentations have been made to institutional investors or to analysts.

### 15. Code of Conduct for the Board of Directors and the Senior Management

The standards for business conduct provide that the Directors and the senior management will uphold ethical values and legal standards as the Company pursues its objectives, and that honesty and personal integrity will not be compromised under any circumstances. A copy of the said code of conduct is available on the website [www.refex.co.in/investors-information/code-of-conduct/](http://www.refex.co.in/investors-information/code-of-conduct/). As provided under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and senior management personnel have affirmed compliance with the code of conduct for the financial year 2019-20.

**16. General Shareholder Information****a) Annual General Meeting**

Date and time:	29 <sup>th</sup> December 2020 , 11.30 A.M
Venue:	Through Video Conference (VC) / Other Audio Visual Means (OAVM) facility
Book Closure Date:	25.12.2020 to 29.12.2020
Financial Year:	1 <sup>st</sup> April,2019 to 31 <sup>st</sup> March, 2020

**b) Financial Calendar 2020-21 (tentative)**

1 <sup>st</sup> Quarter ending June 30, 2020	On or before 14 <sup>th</sup> August 2020
2 <sup>nd</sup> Quarter ending September 30, 2020	On or before 14 <sup>th</sup> November 2020
3 <sup>rd</sup> Quarter ending December 31, 2020	On or before 14 <sup>th</sup> February 2021
4 <sup>th</sup> Quarter ending March 31, 2021	On or before 29 <sup>th</sup> May 2021

**c) Particulars of Dividend for the year ended 31.03.2020**

Date of declaration Rate of dividend Book Closure Date Date of payment of dividend Amount of dividend paid on share capital	The Board has not recommended any Dividend for the Financial Year ended 31 <sup>st</sup> March , 2020
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## d) Listing of Shares

Name and Address of the Stock Exchange	Stock Code
BSE Limited, Mumbai (BSE) 25 <sup>th</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	532884
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bhandra - Kurla Complex, Bandra (East), Mumbai – 400 051	REFEX

ISIN allotted by depositories	INE056I01017
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(Note: Annual Listing fees for the year 2020-21 were duly paid to the above Stock Exchanges)

## e) Stock Market Data

Month	The Bombay Stock Exchange Limited			National Stock Exchange of India Limited		
	Month's High Price (In. Rs.)	Month's Low Price (In. Rs.)	Total volume of shares transacted	Month's High Price (In. Rs.)	Month's Low Price (In. Rs.)	Total volume of shares transacted
April 2019	47.35	36.70	4,60,180	48.10	37.25	14,16,246
May 2019	59.20	32.40	5,40,189	58.70	32.00	17,49,375
June 2019	86.80	62.15	16,59,768	85.00	61.60	17,97,555
July 2019	133.75	78.50	14,00,624	133.55	78.30	23,05,201
Aug 2019	88.75	55.50	7,43,583	89.85	56.20	11,55,233
Sep 2019	81.80	50.35	9,51,273	81.75	50.75	24,00,421
Oct 2019	67.95	36.55	8,24,229	68.50	37.00	26,38,037
Nov 2019	71.25	43.15	12,45,430	71.95	43.10	38,08,460
Dec 2019	63.90	50.90	4,76,646	64.05	50.50	23,51,289
Jan 2020	60.00	49.50	4,94,315	59.70	49.45	22,35,164
Feb 2020	80.25	48.00	14,13,991	80.20	48.05	47,30,646
Mar 2020	63.70	29.40	5,84,919	63.70	29.40	21,10,627



f) Shareholding Pattern as on 31<sup>st</sup> March 2020

Particulars	Number of Shareholders	Share held in Physical Form	Shares held in dematerialized form	Total Number of Shares held
<b>Promoter and Promoter Group</b>				
1. Bodies Corporate	1		2083411	2083411
2. Directors and their Relatives	4		32,56,791	32,56,791
<b>Public Shareholding</b>				
I. <u>Institutions</u>				
1. Mutual Funds/UTI				
2. Financial Institutions/Banks	1		2000	2000
3. Insurance Companies				
4. Foreign Institutional Investors				
5. Foreign Nationals	1	1200		1200
II. <u>Non Institutions</u>				
1. Bodies Corporate	87		746068	746068
2. Individuals	11067	67	8983997	8984064
3. NRI	147		401642	401642
<b>TOTAL</b>	<b>11308</b>	<b>1267</b>	<b>15473909</b>	<b>15475176</b>

**g) Distribution of Shareholding as on 31<sup>st</sup> March 2020****DISTRIBUTION OF HOLDINGS – NSDL & CDSL & PHYSICAL**

Share or debenture holding	Share/debenture holders		Share debenture holdings	
	shares	Number	% of total	shares
1 - 100	5817	49.4012	258470	1.6702
101 - 500	3506	29.7749	973761	6.2924
501 - 1000	1026	8.7133	837144	5.4095
1001 - 2000	628	5.3333	974999	6.3004
2001 - 3000	238	2.0212	615918	3.9800
3001 - 4000	135	1.1464	487974	3.1532
4001 - 5000	92	0.7813	430791	2.7837
5001 - 10000	183	1.5541	1350819	8.7289
10000 - And Above	150	1.2738	9545300	61.6813
<b>Total :</b>	<b>11775</b>	<b>100.0000</b>	<b>15475176</b>	<b>100.0000</b>

**DISTRIBUTION OF HOLDINGS – NSDL & CDSL & PHYSICAL**

Share or debenture holding	Share/debenture holders		Share debenture amount			
	Rs.	Rs.	Number	% of total	Rs.	% of total
10 – 5000			9323	79.1762	12322310	7.9626
5001 – 10000			1026	8.7133	8371440	5.4095
10001 – 20000			628	5.3333	9749990	6.3004
20001 – 30000			238	2.0212	6159180	3.9800
30001 – 40000			135	1.1464	4879740	3.1532
40001 – 50000			92	0.7813	4307910	2.7837
50001 – 100000			183	1.5541	13508190	8.7289
100001 – And Above			150	1.2738	95453000	61.6813
<b>Total :</b>			<b>11775</b>	<b>100.0000</b>	<b>154751760</b>	<b>100.0000</b>

**h) Registrar and Share Transfer Agents**

CAMEO Corporate Services Limited , having its registered office at Subramanian building No. 1, Club House Road , Chennai- 600 002 are the Registrars for the demat segment and also the share transfer agents of the Company . All matters connected with share transfer, transmission, dividend payment is handled by the share transfer agent. Share transfers are processed within 15 days of lodgement.

**i) Transfer of unclaimed dividends to Investor Education and Protection Fund (IEPF):**

There are no unclaimed dividends which are due to be transferred into IEPF.

**j) Request to Investors**

Shareholders are requested to follow the general safeguards/ procedures as detailed hereunder in order to avoid risks while dealing in the securities of the Company,

- Shareholders are advised to convert their physical holding to demat/electronic form through any of the DPs to avoid any possibility of loss, mutilation etc., of physical share certificates and also to ensure safe and speedy transaction in securities.
- Shareholders holding shares in physical form should communicate the change of address, if any, directly to the Registrars and Share Transfer Agent of the Company.
- It has become mandatory for transferees to furnish a copy of Permanent Account Number for registration of transfer of shares held in physical mode.
- Shareholders holding shares in physical form, who have not availed nomination facility and would like to do so , are requested to avail the same, by submitting the nomination in Form SH 13. The form will be made available on request. Those holding shares in electronic form are advised to contact their DPs .
- As required by SEBI, it is advised that the shareholders furnish details of their bank account number and name and address of their bank for incorporating the same in the dividend warrant. This would avoid wrong credits being obtained by unauthorized persons.

**k) Reconciliation of Share Capital Audit**

A quarterly audit is being conducted by a Practicing Company Secretary , reconciling the issued and listed capital of the Company with the aggregate of the number of shares held by investors in physical form and in the depositories and the report on Reconciliation of Share Capital Audit are submitted to the stock exchanges within the prescribed time limit As on 31<sup>st</sup> march 2020, there was no difference between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories. 15472179 equity shares representing 99.99% of the paid up equity capital have been dematerialized as on 31<sup>st</sup> march 2020.

**l) Information to Shareholders**

A brief resume of the Director to be reappointed together with the nature of his experience and the details of the other Directorships held by him is annexed to the Notice convening the Annual General Meeting.

**m) Plant locations**

- Refrigerants Gases :  
No.1/171, Old Mahabalipuram Road, Thiruporur,  
Kancheepuram district , Tamil Nadu-603110
- Solar Energy Division:  
Balotra, Barmer District, Rajasthan-344022

**n) Address for Correspondence****Refex Industries Limited**

11th Floor, Bascon Futura IT Park, New No. 10/2, Old No. 56L,  
Venkat Narayana Road, T Nagar Chennai – 600 017

**DECLARATION PURSUANT TO REGULATION 34(3) READ WITH SCHEDULE V OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE TO THE CODE OF BUSINESS CONDUCT AND ETHICS.**

**To**

**The Members of**

**Refex Industries Limited,**

Refex is committed to conducting its business in accordance with the applicable laws, rules and regulations with highest standards of Business Ethics. The Company has adopted a Code of Ethics and Business Conduct which is applicable to all Directors and senior management personnel. Accordingly, in terms of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we hereby certify that both the Members of the Board and the Senior Management Personnel have affirmed compliance as on 31<sup>st</sup> March, 2020 with the respective provisions of the Code of Business Conduct and Ethics of the Company as laid down by the Board of Directors.

**Anil Jain**

Managing Director

DIN: 00181960

**Pillappan Amalanathan**

Director

DIN: 08730795

**S.Gopalakrishnan**

Company Secretary

Place: Chennai

Date: 30.06.2020

**AUDITORS' CERTIFICATE ON COMPLIANCE OF THE PROVISIONS OF THE CODE OF  
CORPORATE GOVERNANCE**

To  
The Members of  
**Refex Industries Limited**  
Chennai

We have examined the compliance of the conditions of Corporate Governance by **Refex Industries Limited**, Chennai for the year ended on 31st March, 2020, as stipulated in Regulations 17 to 27 and Regulation 46 (2) (b) – (i) of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance of the conditions of corporate governance is the responsibility of the management. My examination was limited to a review of 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.

In my opinion and to the best of my information and according to the explanations given to me, we certify that the company has complied with the conditions of Corporate Governance stipulated in the above mentioned SEBI Regulations.

We 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.

**Place: Chennai**  
**Date: 30.06.2020**

**M Krishnakumar & Associates**  
**Chartered Accountants**  
**FRN 006853S**  
**Membership No 203929**

## **CERTIFICATION BY MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) TO THE BOARD**

We, the undersigned in our respective capacities as Managing Director and Chief Financial Officer of Refex Industries Limited to the best of knowledge and belief, certify that :

1. We have reviewed the financial statements and the cash flow statements for the year and that to the best of our knowledge and belief:
  - a) These statements do not contain any materially untrue statement or omit any material fact or contains statements that may be misleading ;
  - b) These statements together present a true and fair view of the state of affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations.
  
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
  
3. We accept responsibility for establishing and maintaining Internal Control for financial reporting. We have evaluated the effectiveness of Internal Control systems of the listed entity pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
  
4. We have indicated based on our most recent evaluation wherever applicable to the auditors and to the Audit Committee:
  - a) Significant changes if any in internal control over financial reporting during the year ;
  - b) Significant changes if any in accounting policies made during the year; and that the same have been disclosed on the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware and the involvement therein if any of the Management or employees having a significant role in the Company's internal control system over financial reporting. However, during the year there was no such instance.

Place: Chennai  
Date: 30.06.2020

**Anil Jain**  
Managing Director  
DIN: 00181960

**U. Lalitha**  
Chief Financial Officer

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of REFEX INDUSTRIES LIMITED having CIN NO CIN: L45200TN2002PLC049601 and having registered office at 11th Floor, Bascon Futura IT Park ,New No. 10/2, Old No. 56L, Venkat Narayana Road, T Nagar Chennai 600 017 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

<b>S.NO</b>	<b>NAME OF THE DIRECTOR</b>	<b>DIN</b>	<b>DATE OF APPOINTMENT</b>
1	T ANIL JAIN	00181960	13/09/2002
2	DINESH KUMAR AGARWAL	07544757	27/07/2016
3	PILLAPPAN AMALANATHAN	08730795	28/03/2020
4	JAMUNA	08009308	14/02/2018

Place: Chennai  
Date: 30.06.2020

**R. Muthu Krishnan**  
Practicing Company Secretary  
Membership No.: 3033  
FCS: 6775





## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry Structure and Development

Your Company was incorporated on 13<sup>th</sup> September 2002 and is an ISO 9001:2015 and ISO 14001:2015 Company. It is primarily engaged in the Business of refilling Non-Ozone depleting refrigerant gases popularly known as Hydro Fluoro Carbon or HFC's, which are used in Automobile Air-Conditioners, Room Air Conditioners and Refrigerating Equipment.

Since November 2011 the Company also entered in to the business relating to Generation and Distribution of Solar Power by running a Solar Power Plant at Balmer District, Rajasthan.

During the year the actual production of the refrigerant gases accounted for 591.34 MTs as against the installed capacity of 2000 MTs. The sale of products in term of quantity recorded at 533.37 MTs .The current facility is 2000 MTs Capacity refilling with Single shift.

The income earned by the Company arising out of solar power generation and distribution during 2019-20 is Rs.1258.44 Lakhs.

### OPPORTUNITIES

#### REFRIGERANT GASES:

The Company is engaged in the Business of Hydro Fluoro Carbon (HFCs) which is replacement of the Ozone depleting CFC which is already banned in India and HCFC that are to be banned in a phased manner from 2020 onwards as per the implementation schedule of the Montreal protocol by the developing Countries. This phase had already started in 2012 in parts and a complete ban will come in by 2020. The phase out of HCFC gives immense potential to your Company to gain additional market share from domestic manufacturers. The Company's products are placed as a premium brand in the industry and commend a premium over the other brands. The Company's refrigerant business has grown from Rs.1325.57 Lakhs in 2018-19 to Rs. 1938.80 Lakhs In 2019-20. It resulted in the increase of market share of your Company. Your Company is now primarily focusing on after markets and retail. Also, planning to reach OEMs, besides also getting Enquiries from Government Sectors.

The margins are better and the demand is increasing in these markets sharply due to the extreme weather conditions.

With increasing power shortage in the Country due to growing gap between demand and supply status, the opportunities relating to Non-Conventional energy sources, such as solar energy, is bound to increase in the years to come and the company would be in a position to convert this opportunity to its advantage.

Your company is working with various science and technical institutions to introduce new refrigerants which have Zero Global Warming Potential (GWP) to work towards a more CO2 free world. Your company will have an early mover advantage to launch new refrigerants in the market. Your company

is also working on adding additional Solar Power Plants and is keenly looking for opportunities to build more Solar Power Plants.

### ASH AND COAL BUSINESS

The energy demand globally is steadily rising. India's 70% demand is met by coal based thermal power plants. Ash is the by-product from the burning of coal which is the fuel to all thermal power plants. 30-45% of the burnt coal is ash. This ash is full of heavy metals and toxins which if not handled properly could pollute air, land and water bodies.

During the running of a power plant ash is continuously produced and stored in silos which have to be continuously evacuated. The fly ash from the silos is a raw material required for the production of PPC cement, manufacturing of bricks, concreting of infrastructure projects like roads, bridges etc. This fly ash from the silos is transported in closed bulkers.

The excess undisposed ash from the silos is then sent to the ash dyke from where is it evacuated by filling in trucks for mine reclamation, filling of low lying areas, embankments etc. as per the guidelines of Ministry of Mines and Ministry of Environment and Forests (MoEF).

With a boost in infrastructure in India, there is huge potential for supply of ash to such projects.

### THREATS

#### REFRIGERANT GASES:

The Company is largely dependent on foreign countries for the supply of raw materials and hence the shortage in the availability of raw materials coupled with adverse foreign exchange will affect the cost structure and bottom line of the company. HFCs are having GWP potential and is being now phased out in developed countries. India will also have to work towards the phase out in the next 20-25 years. Year 2019-20 has seen a lot of fluctuation in Forex and hence the risk of higher cost is there. One of the primary products R134a faces Anti-Dumping duties from China and other countries, which will be a major drawback for your Company. Solar Power is driven by Government policies and also any change in Tariff or policy will affect the business plan.

The instability in global economy is also bound to affect the company in both business activities.

### ASH AND COAL BUSINESS

Since we have work on the basis of the work orders from the power plants, cancellation of such work orders is a potential threat. These threats we however try to mitigate by clauses in the work order and introducing notice periods. Another threat is that most power plants in India are currently financially stressed. This could result in delayed payments from power plants.

**COMPETITIVE STRENGTH****REFRIGERANT GASES:**

The Company is working with various institutions on developing refrigerants which have Zero GWP potential. Various research agencies and scientist have approached your company to commercialize some products. Your company is evaluating the same. The after markets for HFC is increasing with increase in sale of cars and refrigerants.

“Being the first company to setup a re-filling facility in the country more than a decade back among non-manufacturers, Brand REFEX is a prominent brand in the Refrigerant Industry and commands a premium over other brands. The end users like Mechanics and Installers have preferred Refex products over other products. Innovative packing and continuous product and service development has placed the brand in the top in the country.

**ASH AND COAL BUSINESS:**

With good relation with cement factories and other sub-contractors we are able to push for higher disposal of ash. With a lot of abandoned mines in the vicinity of the power plant we are working with, we have an advantage in terms of distance compared to other competitors.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

Refex's stringent internal control systems and procedure is well defined and commensurate with the size and nature of the Business to provide reasonable assurance that all assets are safeguarded; transactions are authorized and reported properly. All applicable statutes, code of conduct and corporate policies are duly complied with. The internal Audit Division reviews the adequacy and efficiency of the internal controls. The scope of the Audit activity is guided

by the Annual Audit Committee of the Board. The Audit Committee reviews the reports of the Internal Auditors and provides guidance.

**HUMAN RESOURCE DEVELOPMENT**

Your Company provides a diverse and inclusive work environment. It is the policy, practice and aim of your company to provide Employment Opportunities to all qualified persons on an equal basis. Your company does not discriminate against any employee or applicant for employment on the basis of race, religion, disability, ethnicity, marital status or any other characteristic protected by law. Your company does not employ or engage child labour. It provides training, education and promotion opportunities that permit development and career advancement to the company's work force. It provides wellness programs to the employees. Your company is concerned about the safety of its employees. Works of the employees are evaluated periodically. Policies on human rights including the code of Ethical Business Conduct, Anti-Sexual Harassment and Whistle Blower Policies along with the group Business Responsibility Policy covers all aspects on human rights for your company and also extend to all stakeholders of your company. Your company follows an extensive performance Management system

to review the performance of its employees, Senior Management Personnel and provide rewards on the basis of Meritocracy.

### FINANCIAL PERFORMANCE

An overview of the financial performance Vis a Vis the previous year is given separately in the Directors Report.

### PRODUCT WISE/SEGMENT WISE PERFORMANCE

The company has six segments Viz. which is listed below. The respective segments quantitative performance Vis a Vis the previous year are furnished hereunder.

	<b>2019-20</b>	<b>2018-19</b>
Refrigerant gases Sales (Kgs.)	533377.00	382170.00
Solar Power (units)	8417700.00	8341950.00
Solar Accessories (WP.)	1322560.00	21214500.00
Ash (MT)	1715360.48	1800549.48
Coal (MT)	778878.05	204055.00
Minerals	-	572.00

### CAUTIONARY STATEMENT

The above statement is as perceived by the Directors based on the Current scenario and the input available. Any extraneous development and force majeure conditions may have an impact on the above perception.

# INDEPENDENT AUDITOR'S REPORT

## To the Members of M/s.Refex Industries Limited Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the standalone financial statements of Refex Industries Limited ("the Company"), which comprise the 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 standalone 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 profit and loss, and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional 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.

### Management's Responsibility for the Standalone 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 standalone financial

statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, 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 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. The 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

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

### 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 have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- 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 to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as mentioned in Note No: 28
  - ii. The Company had made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- B. With respect to the matter to be included in the Auditors' Report under section 197(16):

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.

**For M. Krishnakumar & Associates**  
**Chartered Accountants**  
**Firm Regn.No.006853S**

**M. Krishna Kumar B.Sc FCA**  
**Proprietor**  
**M. No. 203929**  
Place: Chennai  
Date: 30.06.2020



**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2020, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties are held in the name of the company.
- ii. The inventory has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stock and book records such were not material.
- iii. (a) The Company has not granted any loans, secured or unsecured to Companies, Firms, LLP or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') except for loans granted during the year for business purposes. The year-end balance of which is Nil. In our opinion the grant of such loans is not prejudicial to the interest of the company.  
  
(b) In our opinion and according to the information and explanations given to us, the terms of repayment of the loan and payment of interest have not been stipulated; however, they are repayable on the mutual agreement of both the parties involved.
- iv. In our opinion and according to the information and explanations given to us, the Company has not complied with the provisions of section 185 of the Act to the extent the loan which was granted and repaid during the year.  
  
In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.



- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, Goods and Services Tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, Goods and Services tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, the particulars of due in respect of income tax, service tax, sales tax, customs duty, excise duty, VAT and cess, which have not been deposited on account of a dispute, are as follows:

S.No	Particulars	Amount (In. Rs.)	Details
1.	A.Y.2011-12	5,81,45,540/-	Under Appeal with the Hon'ble Commissioner of Income Tax (Appeals), Chennai

- (viii) In our opinion and according to the information and explanations provided to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank or government or dues to debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For M. Krishnakumar & Associates  
Chartered Accountants  
FirmRegn.No.006853S**

**Place: Chennai  
Date: 30.06.2020**

**M. Krishna Kumar B.Sc FCA  
Proprietor  
M. No. 203929**

## ANNEXURE - A TO THE AUDITORS' REPORT

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

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

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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.

Place: Chennai  
Date: 30.06.2020

**For M. Krishnakumar & Associates**  
**Chartered Accountants**  
**FirmRegn.No.006853S**

**M. Krishna Kumar B.Sc FCA**  
**Proprietor**  
**M. No. 203929**



## Standalone Balance Sheet as at March 31, 2020

(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)

(Rs. In Lakhs)

	Particulars	Note No	As at March 31, 2020	As at March 31, 2019
<b>A</b>	<b>ASSETS</b>			
<b>1</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	5.00	5.00
	(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>2</b>	<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	2,095.17	386.80
	(iii) Bank Balances other than (ii) above		-	-
	(iv) Other current financial assets	10	911.30	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>13,796.88</b>	<b>15,855.32</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity Share Capital	13	1,547.52	1,547.52
	(b) Other Equity	14	6,038.01	2,729.96
	<b>LIABILITIES</b>			
<b>2</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>3</b>	<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	10,117.89
	(iv) Other financial liabilities	18	55.48	45.79
	(b) Other current liabilities	19	407.10	1,380.60
	<b>Total Equity and Liabilities</b>		<b>13,796.88</b>	<b>15,855.32</b>
	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 M.Krishnakumar & Associates,  
Chartered Accountants  
ICAI Firm Registration Number: 006853S

M.Krishnakumar B.SC FCA  
Proprietor  
Membership No. 203929  
Firm Registration No. with ICAI:006853S

Place: Chennai  
Date: 30th June 2020

For and On behalf of the Board of Directors

T.AnilJain  
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



## Statement of Standalone Profit or Loss for the Year ended March 31, 2020

(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)

(Rs. In Lakhs)

	Particulars	Note No	For Year Ended March 31, 2020	For Year Ended March 31, 2019
			Audited	Audited
<b>1</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</b>	<b>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	90.57	29.67
	Depreciation and Amortisation	26	139.32	96.23
	Other Expenses	27	4,881.35	2,722.41
	<b>Total expenses (IV)</b>		<b>61,169.41</b>	<b>43,403.51</b>
<b>V</b>	<b>Profit/(loss) before exceptional items and tax</b>		<b>5,384.12</b>	<b>2,886.97</b>
<b>VI</b>	Exceptional items		(581.46)	-
<b>VII</b>	<b>Profit/(loss) before tax</b>		<b>4,802.66</b>	<b>2,886.97</b>
<b>VIII</b>	<b>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</b>	<b>Profit/(loss) for the period</b>		<b>3,313.25</b>	<b>3,163.41</b>
<b>X</b>	<b>Other Comprehensive Income</b>			
	<b>Items that will not be reclassified to profit or loss</b>			
	Remeasurements of defined benefit plan actuarial gains/ (losses)		(5.19)	(0.07)
	Income tax expense on above			
			<b>(5.19)</b>	<b>(0.07)</b>
<b>XI</b>	<b>Total Comprehensive Income for the period (Comprising profit and other comprehensive income for the period)</b>		<b>3,308.05</b>	<b>3,163.33</b>
<b>XII</b>	<b>Earnings per equity share</b>			
	(1) Basic		21.38	20.44
	(2) Diluted		21.38	20.44
	The accompanying notes form an integral part of these financial statements	28-38		

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: 006853S

**M.Krishnakumar B.SC FCA**  
Proprietor  
Membership No. 203929  
Firm Registration No. with ICAI:006853S

Place: Chennai  
Date: 30th June 2020

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

**T.AnilJain**  
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



## Statement of Changes In Equity for the year ended March 31, 2020

(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)

(Rs. In Lakhs)  
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	-	(16.19)	(0.07)		2,729.96
Movement to Reserves	-	-	-	3,313.25			3,313.25
Total Comprehensive Income for the Year	-	-	-	-			-
Other Comprehensive Income for the Year	-	-	-	-	(5.19)		(5.19)
<b>Balance as at March 31, 2020</b>	<b>422.10</b>	<b>2,324.12</b>	<b>-</b>	<b>3,297.06</b>	<b>(5.27)</b>		<b>6,038.01</b>

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	-	(3,179.60)	-		(433.38)
Total Comprehensive Income for the Year	-	-	-	3,163.41	-		3,163.41
Other Comprehensive Income for the Year	-	-	-	-	(0.07)		(0.07)
<b>Balance as at March 31, 2019</b>	<b>422.10</b>	<b>2,324.12</b>	<b>-</b>	<b>(16.19)</b>	<b>(0.07)</b>		<b>2,729.96</b>



## A. Corporate Information:

Refex Industries Limited (RIL), From realizing the commercial potential of HFC gases and diversifying into refrigerant gases, Refex Industries Limited (RIL) has consistently delivered out-of-the-box innovation coupled with positive financial sustainability, at every step of the way. With its inception in the year 2002, Refex Industries successfully broke the monopoly that existed in the controlled refrigerant gas market. After its well-established leadership in refrigerant gases, Refex now brings its delivery expertise in offering services like coal trading, coal yard management and coal ash handling to thermal power plants.

### Refrigerant Gas:

Refex Industries Limited (RIL) is a specialist manufacturer and re-filler of Refrigerant gases, particularly, environmentally acceptable gases that are replacements for Chloro-Fluoro-Carbons (CFC's). These are used primarily as refrigerants, foam blowing agents and aerosol propellants. It exercises superior quality control and efficiency with the help of advanced technology. Refex has been committed to being an exemplary player in terms of safety, protection of health and environment, and sustainable development.

### Handling and Disposal of Fly Ash:

Ash is the by-product from the burning of coal which is the fuel to all thermal power plants. 30-45% of the burnt coal is ash. This ash is full of heavy metals and toxins which if not handled properly could pollute air, land and water bodies.

During the running of a power plant ash is continuously produced and stored in silos which have to be continuously evacuated. The fly ash from the silos is a raw material required for the production of PPC cement, manufacturing of bricks, concreting of infrastructure projects like roads, bridges etc. This fly ash from the silos is transported in closed bulkers.

The excess undisposed ash from the silos is then sent to the ash dyke from where is it evacuated by filling in trucks for mine reclamation, filling of low lying areas, embankments etc. as per the guidelines of Ministry of Mines and Ministry of Environment and Forests (MoEF).

### Round the clock services for coal yard management, shifting of uncrushed coal and Housekeeping Works:

With immense experience in handling ash in large number of trucks and bulkers, company have ventured into providing coal yard management services.

Uncrushed coal from trucks is first stored in the coal yard in the form of heaps. This coal is then transported and fed into the track hoppers at the Coal Handling Plant area. The un-sized coal which doesn't pass through the grizzly is broken to smaller sizes before it goes through. These services are provided round the clock to ensure sufficient supply of coal to run the power plant uninterruptedly.

The Company also provide housekeeping services in the coal handling plant (CHP) areas like in the conveyor belt surrounding areas, cable trays, trenches, drains, sump pit where spilled coal is to be collected and shifted manually with adequate manpower to ensure the smooth functioning of the equipment.



**Coal Trading:**

The Company source quality coal from domestic and international players and offer at competent prices to the power plants.

With a boost in infrastructure in India, Refex foresees a tremendous growth in all the business segments.

**B. Significant Accounting Policies Basis of Preparation of financial statements****• Statement of Compliance**

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

**• Preparation and compliance with Indian Accounting Standards (IND AS)**

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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 considers 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 Standalone financial statements is determined on such a basis, 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 realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised 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 principal accounting policies are set out below.

- **Recent accounting pronouncements**

*2.1.3.a. Ind AS 116 Leases:*

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

The effect of adoption as on transition date would be insignificant on the financial statements.

*2.1.3.b. Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:*

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss),

tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition –

- i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

The company is in the process of evaluation of impact of such pronouncement.

*2.1.3.c. Amendment to Ind AS 12 – Income taxes:*

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment

*2.1.3.d. Amendment to Ind AS 19 – plan amendment, curtailment or settlement:*

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

• The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The company is in the process of evaluation of impact of such pronouncements.

## Historical Cost convention

The financial statements have been prepared under historical cost convention on accrual basis except for certain assets and liabilities as stated in the respective policies, which have been measured at fair value.

- **Current / Non-Current classification**

The assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

- **Revenue recognition**

### Revenue from Sales of goods and Electricity

The company manufactures and sells a range of refrigerant gases and generates electricity. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. In case of electricity, sales are recognised when power generation is passed on to the electricity grid.

Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the customer has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

No element of financing is deemed present as the sales are made with the credit term, consistent with market practice.

A receivable is recognised when the goods/electricity are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

### **Revenue from sale of services**

Revenue from providing services is recognized in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided the proportion of service rendered is determined by cost involved for the project as against total cost. Any promise made in the contract, which are identified distinct is accounted for as a separate performance obligation. Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management. In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the company exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

### **Interest income:**

Interest income from, if any, non-current financial assets are recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

Interest income from fixed deposits in banks is recognised on time proportion basis, determined by the amount outstanding and the rate applicable.

**Fair value gains** on current investments carried at fair value are included in Other income.

**Other items of income** are recognised as and when the right to receive arises.

- **Property Plant and Equipment**
- **Tangible Assets**

Freehold land is carried as historical cost. All other items of property plant and equipment are stated at historical cost of acquisition less accumulated depreciation and amortization and impairment. Historical cost includes purchase price, taxes and duties (Net of tax credits), labour cost and directly attributable overhead expenditure incurred upto the date the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic 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 separate asset is derecognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

Depreciation is recognised using the straight-line method. The estimated useful lives and residual values are reviewed at the end of each year, with the effect of any changes in estimate accounted for on a prospective basis. The useful lives of assets are adopted to as specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

On transition to Ind AS, Group has elected to continue carrying value of all its property plant and equipment recognized as at 1 April 2017 measured as per the previous GAAP and use that carrying value as deemed cost of the property, plant and Equipment.

An item of property, plant and equipment is derecognised upon disposal. Any gain or loss arising on the disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

### 2.3.2 Intangible Assets

#### Rights under Service Concession Arrangements

Intangible assets are recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment.

#### Other intangible assets

Specialized software is amortized over a period of three to six years on straight line there is no time period, only subscription payable basis from the month in which the addition is made.

Intangible assets acquired are measured at cost less accumulated amortisation and impairment losses.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods to allocate the assets' revised carrying amount over its remaining useful life.

- **Impairment of assets**

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its 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. Assessment is also done at each Balance

Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

- **Capital Work in Progress**

The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

- **Depreciation and Amortization**

*Depreciation*

The depreciable amount of an item of PPE is allocated on a straight-line basis over its useful life as prescribed above.

If part of an item of PPE with a cost that is significant in relation to the total cost of the asset and useful life of that part is different from remaining part of the asset; such significant part is depreciated separately. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale / disposal and includes amortization of intangible assets. An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Depreciation is charged on pro-rata basis from the date of addition / till the date of disposal. Gains and losses on disposal of assets are determined by comparing the sale proceeds with the carrying amount. These are included in profit or loss within other income.

The residual values are not more than 5% of original cost of the asset. The asset's residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

- **Borrowing costs**

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset. The Company recognises other borrowing costs as an expense in the period in which it incurs them. A qualifying asset is an asset that necessarily takes a substantial period to get ready for its intended use or sale.

To the extent the Company borrows generally and uses them for the purpose of obtaining a qualifying asset, amount of borrowing cost eligible for capitalization is computed by applying a capitalization rate to the expenditure incurred. The capitalization rate is determined based on the weighted average of borrowing costs, other than borrowings made specifically towards purchase of a qualifying asset.

- **Foreign Currency translation**

- a. Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.
- b. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing rate are adjusted in the cost of fixed assets specifically financed by the borrowings contracted, to which the exchange differences relate.
- c. Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

- **Employee Benefits**

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

- **Short Term Obligations**

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

- **Post-employment obligation**

The company operates the following post-employment benefit schemes.

Defined benefit plans such as gratuity for its eligible employees and defined contribution plans such as provident fund.

***Defined Benefit Plan (Gratuity)***

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.



The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### ***Deferred tax***

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

**Current and deferred Tax for the year**

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Minimum Alternate Tax (MAT) is accounted as current tax when the Company is subjected to such provisions of the Income Tax Act. However, credit of such MAT paid is available when the Company is subjected to tax as per normal provisions in the future. Credit on account of MAT is recognized as an asset based on its recoverability in the future.

- **Provision and Contingent Liabilities**

- **Provisions**

A provision is recorded when the Company has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

- **Contingent Liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

- **Leases**

The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the date of inception.

**Finance leases:**

- (a) Property, plant and equipment acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, to obtain a constant periodic rate of interest on the outstanding liability for each period.
- (b) Property, plant and equipment given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease income is recognised over the period of the lease to yield a constant rate of return on the net investment in the lease.

**Operating leases:**

(a) Property, plant and equipment acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease.

(b) Property, plant and equipment leased out under operating leases are continued to be capitalised by the Company. Rental income is recognised on a straight-line basis over the term of the relevant lease.

- **Cash and Cash equivalents**

Cash and cash equivalents include cash in hand, Balances in Bank and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

- **Financial assets**

- **Classification**

The Company classifies its financial assets in the following measurement categories:

(i) Those measured subsequently at fair value through other comprehensive income (in case of investments in equity instruments) through profit or loss (in case of investments in mutual funds)

(ii) Those measured at amortised cost

The classification is based on the Company's business model for managing the financial assets and the contractual terms of the cash flow for assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

- **Measurement**

- **Initial Measurement**

The Company measures a financial asset at its fair value plus cost that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

- **Subsequent measurement**

**Investments****Fair value through Profit and loss**

Assets that do not meet the criteria for amortised cost or Fair Value Through Other Comprehensive Income (FVOCI) are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other

gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

- **Other financial assets**

After Initial Measurement, financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR) method. Amortised cost is calculated by considering any discount or premium and fees or cost that are an integral part of EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

- **Impairment of financial assets**

The Company assesses on a forward-looking basis, the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk.

For trade receivables (If any), the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

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

- **De recognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when the rights to receive cash flows from the asset have expired.

- **Financial Liabilities**

- **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities shall be subsequently measured at fair value

- **Initial recognition and measurement**

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

- **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to interest-bearing loans and borrowings.

- **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and 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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

- **Government grants**

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve.

- **Dividend to Shareholders**

Final dividend distributed to equity shareholders is recognized in the period in which it is approved by the members of the Company in the Annual General Meeting. Interim dividend is recognized when approved by the Board of Directors at the Board Meeting. Dividend distributed is recognized in the Statement of Changes in Equity.

- **Earnings per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

- **Derivative financial instruments**

The Company uses derivative financial instruments, such as forward contract to manage its exposure to foreign exchange risks. Any derivative that is either not designated as a hedge or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit

or loss and the resulting exchange gains or losses/ fair value changes are included in Statement of profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

- **Segment Information**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM").

The board of directors of the Company assesses the financial performance and position of the Company, and makes strategic decisions. The board of directors has been identified as being the CODM. Refer note 34.

- **Prior Period**

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that led to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

- **Cash flow statement**

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year is classified by operating, investing and financing activities.

- **Critical Estimates and Judgements**

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amount of assets and liabilities as of the balance sheet date and reported revenue and expenses for the year and disclosure of contingent liabilities as of the date of balance sheet. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant circumstances as of the date of financial statements. Actual amounts could differ from these estimates.

This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which may be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed in about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation of each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

- i. Estimation of current tax expense and payable – Note 5 in notes to accounts
- ii. Estimation of defined benefit obligation – Note 33 in notes to accounts
- iii. Estimation of useful life of Property, Plant and Equipment and Intangibles – Note 2.3



**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.

Standalone 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	Solar Plant with 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>

## Note 3 - Non Current Investments

Particulars	As at March 31, 2019	As at March 31, 2020
<b>Investments in Subsidiary</b>		
Unquoted carried at cost		
50,000 Equity Shares of Vituza Solar Energy Ltd of Rs.10/- each.	5.00	5.00
<b>Total Aggregate Book Value of unquoted Investments</b>	<b>5.00</b>	<b>5.00</b>





## 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	4,802.66	2,886.97
Enacted tax Rate (under Normal Provisions)*	29.12%	26.00%
<b>Computed Expected Tax Expenses - Normal Provision</b>	<b>1,398.53</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>

### 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 for 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*

### Note 9 - Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
i) Balances with banks		
* <b>Current Accounts</b>	1,579.75	372.69
* EEFC accounts	-	-
* Deposit Accounts	505.46	1.26
ii) Cash on hand	9.96	12.85
<b>Total</b>	<b>2,095.17</b>	<b>386.80</b>

### Note 10 - Other Current Financial Assets

Particulars	As at March 31, 2020	As at March 31, 2019
i) <b>Unsecured, considered good;</b>		
- Loans and advances to Employees	1.18	0.51
- Loans and advances to Wholly owned subsidiary	0.55	-
- Interest receivable from Related Parties	209.57	-
- Security deposit given to Related Party	700.00	-
- Loans and advances to Related Parties measured at amortized cost	-	798.05
<b>Total</b>	<b>911.30</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
<b>Unsecured considered good</b>		
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>

**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
Sherisha 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</b>	<b>29.71%</b>

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

Borrowings Particulars	Short Term		Long Term	
	As at March 31,	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
<b>(i) Secured</b>				
- Vehicle Loan	12.75	-	-	8.99
- others	-	-	-	-
<b>(ii) Unsecured</b>				
-Inter Corporate Deposits at Amortized Cost	150.00	-	-	-
- Term Loan	9.15	-	-	8.94
<b>Total</b>	<b>171.90</b>	<b>-</b>	<b>-</b>	<b>17.93</b>

**Terms:-**

- Term loan from banks are repayable in 11 Months, rate of interest at 16% and Unsecured
- 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 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	-	(16.19)	(0.07)		2,729.96
Movement to Reserves	-	-	-	3,313.25			3,313.25
Total Comprehensive Income for the Year	-	-	-	-			-
Other Comprehensive Income for the Year	-	-	-	-	(5.19)		(5.19)
<b>Balance as at March 31, 2020</b>	<b>422.10</b>	<b>2,324.12</b>	<b>-</b>	<b>3,297.06</b>	<b>(5.27)</b>		<b>6,038.01</b>

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	-	(3,179.60)	-		(433.38)
Movement to Statutory Reserve	-	-	-	-	-		-
Total Comprehensive Income for the Year	-	-	-	3,163.41	-		3,163.41
Other Comprehensive Income for the Year	-	-	-	-	(0.07)		(0.07)
<b>Balance as at March 31, 2019</b>	<b>422.10</b>	<b>2,324.12</b>	<b>-</b>	<b>(16.19)</b>	<b>(0.07)</b>		<b>2,729.96</b>

## 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	9,968.10
<b>Total</b>	<b>4,120.23</b>	<b>10,117.90</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	11.97	37.16
<b>Total</b>	<b>407.10</b>	<b>1,380.60</b>

## 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	166.34
Interest from Fixed Deposits	4.49	2.23
Foreign Exchange Flucuation - 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>185.38</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	3.76	4.84
<b>Total</b>	<b>90.57</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	6.24	4.44
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	93.24	324.35
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	65.00	24.16
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>4,881.35</b>	<b>2,722.41</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	3.50
ii. For taxation matters	-	-
iii. For other services	-	-
iv. For reimbursement of expenses		
<b>Total</b>	<b>6.00</b>	<b>3.50</b>

**Note 28. Contingent Liabilities:**

(Rs. In lakhs)

Particulars	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
			(₹ in Lakhs)
<b>Cases filed against our Company</b>			
1. 1.	Civil	2	302.67
<b>Cases filed by our Company</b>			
2. 1.	Civil	6	1901.32
3. 2.	Criminal (under section 138 of the Negotiable Instruments Act)	1	4.75

We cannot assure you that these legal proceedings will be decided in favour of our Company, as the case may be, or that no further liability will arise out of these proceedings. Further, such legal proceedings could divert management time and attention and consume financial resources. Any adverse outcome in any of these proceedings may adversely affect our profitability and reputation and may have an adverse effect on our results of operations and financial condition.

## 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	0.38	4.24
	(iii) Import of Materials/ Equipment (CIF Value)		
	a. Refrigerant Gases	1076.09	873.71
	b. Capital goods	-	113.98
	c. Components and spares	2.46	-
	d. Finished goods/Semi Finished goods	-	-
	e. Raw Materials	-	1.27
	f. Others	13.81	-
B	Earnings in Foreign Exchange	283.35	123.46

### 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	301.59	149.80
	b) Interest due thereon	-	-
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	2,095.17	-	-
Other Bank Balances	-	-	-
Other Financial Assets	911.30	-	-
<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	386.80	-	-
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	10,117.89	-	-
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:**

Specific valuation techniques used to value financial instruments include:

- Use of DCF for Unquoted instruments

d. The following tables present fair value hierarchy of assets and liabilities measured at fair value:

(Rs. In lakhs)

Particulars	For the year 31.03.2020				For the year 31.03.2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>								
Investments in Subsidiary			5	5			5	5

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. 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
As at March 31, 2019	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	9.15	-	-	-	9.15
Vehicle Loans	12.75	-	-	-	12.75
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	16.50%	16.50%
- 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	171.90	38.54
Less : Cash and cash equivalent	(2,095.17)	(386.80)
Net Debt	-	-
Total Equity	7,585.53	4,277.47
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	-	-
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	31.03.2020
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	+1.00%	20.8	14.56
	-1.00%	-27.92	-19.28
Salary growth Rate	+1.00%	-27.84	-19.25
	-1.00%	20.81	14.54
Attrition Rate	+50%	-23.7	-16.63
	-50%	24.33	16.73
Mortality Rate	+10%	-24	-16.68
	-10%	24.01	16.68

**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	10% p.a for first 3 years and
	7.5% p.a thereafter	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)

Particulars	31.03.2020	31.03.2019
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)

Particulars	31.03.2020	31.03.2019
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>	1.63	0.25

**Sensitivity analysis**

(Rs. In lakhs)

Particulars	31.03.2020	31.03.2019
Defined benefit obligation (base)	(3.32)	(2.08)

(Rs. In lakhs)

Assumption	Change in Assumption	31.03.2020	31.03.2019
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	10% p.a for first 3 years and
	7.5% p.a thereafter	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"**

The Company has not derived revenues from any customer which amount to 10 per cent or more of Company's revenues except KSK Mahanadi Power Company Ltd having 42.61% & M.S Fuels 21.07%.

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	31.6
Sale of Service	1,825.93	1,070.92
Minerals Trading	-	30.32
Corporate	-1,135.06	-129.26
<b>Total</b>	<b>4,350.65</b>	<b>2,726.41</b>
Finance Cost	7.45	24.83
Other Income	459.46	185.38
<b>Profit /Loss before Tax</b>	<b>4,802.66</b>	<b>2,886.96</b>



Particulars	March 31,2020	March 31,2019
<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	8,748.57	1,598.08
<b>Total- Segment Assets</b>	<b>13,796.88</b>	<b>15,855.32</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	215.1	241.15
Sale of Service	1,107.91	-
Unallocated		3,533.07
Corporate	8,983.56	777.08
<b>Total-Segment Liabilities</b>	<b>13,796.88</b>	<b>15,855.32</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 01.04.19	Additions/ Transfers during the year	Utilization during the year	Reversal during the year / Transfers during the years	Closing balance as on 31.03.20
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. Related Parties:****Refex Industries Limited****Related Party Disclosures as at 31<sup>st</sup> March, 2020****a) The names of Related Parties of the Company are as under:****(i) Subsidiary Company**

Vituza Solar Energy Limited

**(ii) Key Managerial Personnels (KMPs)**

Mr. Aniljain - Managing Director

S.GopalKrishnan- Company Secretary

U.Lalitha - Chief Financial Officer

**(iii) 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	11.6
	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	-	515.6
SEI CleanTech Pvt Ltd	Reimbursement	0.13	-
Sei Tejas Pvt Ltd	Sales	33.71	-
SunEdison Energy India Pvt Ltd	Sales	0.2	-
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	8,062.35
<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>
Vituza Solar Energy Limited	Investments	5.00	5.00
Vituza Solar Energy Limited	Loan Given	0.55	-
<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	Other Current Financial Assets-Adv	700.00	180.03
	Rental Deposit	7.00	7.00
	Interest Receivable	163.87	-

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

### 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: 006853S

M.Krishnakumar B.SC FCA  
Proprietor  
Membership No. 203929  
Firm Registration No. with ICAI:006853S

Place: Chennai  
Date: 30th June 2020

For and On behalf of the Board of Directors

T.AnilJain  
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



## Standalone Statement of Cash Flow for the year ended 31st March 2020

(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)

(Rs. In Lakhs)

Particulars	For Year Ended	For Year Ended
	March 31, 2020	March 31, 2019
	Audited	Audited
<b>Cash flows from operating activities</b>		
<b>Profit Before Taxes</b>	<b>4,802.66</b>	<b>2,886.97</b>
<b>Adjustments:</b>		
Interest Income	(479.09)	(185.38)
Loss/ (Profit) on sale of fixed assets	(19.27)	0.14
Bad Debts	2,657.93	-
Interest expense	90.57	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
<b>Operating cash flow before working capital changes</b>	<b>7,852.82</b>	<b>2,827.56</b>
<b>Changes in</b>		
Decrease/(Increase) In Trade Receivables	(1,264.63)	(5,098.30)
Decrease/(Increase) In Other current Financial Asset(s)	(112.74)	2,738.64
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	(5,997.66)	5,977.38
(Decrease)/Increase In other current liabilities	(973.49)	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)
<b>Cash generated from / (used in) operations</b>	<b>1,188.58</b>	<b>4,418.33</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(22.71)	(180.00)
Proceeds from sale of fixed assets	-	0.05
(Investment in) / Withdrawal of fixed deposits	-	-
Interest received	479.09	185.38
<b>Net cash generated from/(used in) investing activities [B]</b>	<b>456.38</b>	<b>5.42</b>
<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	(90.57)	(29.67)
Proceeds from long term loans	-	-
Repayment of long term loans	-	-
<b>Net cash used in financing activities</b>	<b>63.41</b>	<b>(4,106.31)</b>
<b>Increase in cash and cash equivalents</b>	<b>1,708.37</b>	<b>317.44</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>386.80</b>	<b>69.36</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2,095.17</b>	<b>386.80</b>
<b>Components of cash and cash equivalents (refer note 21)</b>		
Cash on hand	9.96	12.85
Balances with banks	2,085.21	373.95
<b>Total cash and cash equivalents</b>	<b>2,095.17</b>	<b>386.80</b>

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

For M.Krishnakumar &amp; Associates,

Chartered Accountants

ICAI Firm Registration Number: 006853S

**M.Krishnakumar B.SC FCA**

Proprietor

Membership No. 203929

Firm Registration No. with ICAI:006853S

Place: Chennai

Date: 30th June 2020

**T.AnilJain**

Managing Director

(DIN:00181960)

**Pillappan Amalanathan**

Director

(DIN:08730795)

For and On behalf of the Board of Directors

**Dinesh Kumar Agarwal**

Director

(DIN:07544757)

**Jamuna Ravikumar**

Director

(DIN:08009308)

**S.Gopalkrishnan**

Company Secretary

**U.Lalitha**

Chief Financial Officer



## 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 "Annexure A".
- 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 to us:
  - (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 Company had 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 holding Company.

**For M. Krishnakumar & Associates**  
**Chartered Accountants**  
**Firm Regn.No.006853S**  
**M. Krishna Kumar B.Sc FCA**  
**Proprietor**  
**M. No. 203929**  
**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**

**ICAI Firm Registration Number: 006853S**

**M.Krishnakumar B.SC FCA**

**Proprietor**

**Membership No. 203929**

**Firm Registration No. with ICAI: 006853S**

**Place: Chennai**

**Date: 30.06.2020**



## Consolidated Balance Sheet as at March 31, 2020

(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)

(Rs. In Lakhs)

	Particulars	Note No	As at March 31, 2020	As at March 31, 2019
<b>A</b>	<b>ASSETS</b>			
<b>1</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	5.00	5.00
	(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>2</b>	<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>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</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>2</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>3</b>	<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	28-38		

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: 006853S

M.Krishnakumar B.SC FCA  
Proprietor  
Membership No. 203929  
Firm Registration No. with ICAI:006853S

Place: Chennai  
Date: 30th June 2020

For and On behalf of the Board of Directors

T.AnilJain  
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





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

(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)

(Rs. In Lakhs)

	Particulars	Note No	For Year Ended March 31, 2020	For Year Ended March 31, 2019
			Audited	Audited
<b>1</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</b>	<b>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</b>	<b>Profit/(loss) before exceptional items and tax</b>		<b>5,383.48</b>	<b>2,886.51</b>
<b>VI</b>	Exceptional items		(581.46)	-
<b>VII</b>	<b>Profit/(loss) before tax</b>		<b>4,802.03</b>	<b>2,886.51</b>
<b>VIII</b>	<b>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</b>	<b>Profit/(loss) for the period</b>		<b>3,312.61</b>	<b>3,162.95</b>
<b>X</b>	<b>Other Comprehensive Income</b>			
	<b>Items that will not be reclassified to profit or loss</b>			
	Remeasurements of defined benefit plan actuarial gains/ (losses)		(5.19)	(0.07)
	Income tax expense on above			
			<b>(5.19)</b>	<b>(0.07)</b>
<b>XI</b>	<b>Total Comprehensive Income for the period (Comprising profit and other comprehensive income for the period)</b>		<b>3,307.42</b>	<b>3,162.88</b>
<b>XII</b>	<b>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	28-38		

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: 006853S

**M.Krishnakumar B.SC FCA**  
Proprietor  
Membership No. 203929  
Firm Registration No. with ICAI:006853S

Place: Chennai  
Date: 30th June 2020

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

**T.AnilJain**  
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



## Statement of Changes In Equity for the year ended March 31, 2020

(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)

(Rs. In Lakhs)  
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	-	(16.19)	(0.07)		2,729.96
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)
<b>Balance as at March 31, 2020</b>	<b>422.10</b>	<b>2,324.12</b>	<b>-</b>	<b>3,296.42</b>	<b>(5.27)</b>		<b>6,037.38</b>

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	-	(3,179.60)	-		(433.38)
Total Comprehensive Income for the Year	-	-	-	3,163.41	-		3,163.41
Other Comprehensive Income for the Year	-	-	-	-	(0.07)		(0.07)
<b>Balance as at March 31, 2019</b>	<b>422.10</b>	<b>2,324.12</b>	<b>-</b>	<b>(16.19)</b>	<b>(0.07)</b>		<b>2,729.96</b>



## A. Corporate Information:

Refex Industries Limited (RIL), From realizing the commercial potential of HFC gases and diversifying into refrigerant gases, Refex Industries Limited (RIL) has consistently delivered out-of-the-box innovation coupled with positive financial sustainability, at every step of the way. With its inception in the year 2002, Refex Industries successfully broke the monopoly that existed in the controlled refrigerant gas market. After its well-established leadership in refrigerant gases, Refex now brings its delivery expertise in offering services like coal trading, coal yard management and coal ash handling to thermal power plants.

### Refrigerant Gas:

Refex Industries Limited (RIL) is a specialist manufacturer and re-filler of Refrigerant gases, particularly, environmentally acceptable gases that are replacements for Chloro-Fluoro-Carbons (CFC's). These are used primarily as refrigerants, foam blowing agents and aerosol propellants. It exercises superior quality control and efficiency with the help of advanced technology. Refex has been committed to being an exemplary player in terms of safety, protection of health and environment, and sustainable development.

### Handling and Disposal of Fly Ash:

Ash is the by-product from the burning of coal which is the fuel to all thermal power plants. 30-45% of the burnt coal is ash. This ash is full of heavy metals and toxins which if not handled properly could pollute air, land and water bodies.

During the running of a power plant ash is continuously produced and stored in silos which have to be continuously evacuated. The fly ash from the silos is a raw material required for the production of PPC cement, manufacturing of bricks, concreting of infrastructure projects like roads, bridges etc. This fly ash from the silos is transported in closed bulkers.

The excess undisposed ash from the silos is then sent to the ash dyke from where is it evacuated by filling in trucks for mine reclamation, filling of low lying areas, embankments etc. as per the guidelines of Ministry of Mines and Ministry of Environment and Forests (MoEF).

### Round the clock services for coal yard management, shifting of uncrushed coal and Housekeeping Works:

With immense experience in handling ash in large number of trucks and bulkers, company have ventured into providing coal yard management services.

Uncrushed coal from trucks is first stored in the coal yard in the form of heaps. This coal is then transported and fed into the track hoppers at the Coal Handling Plant area. The un-sized coal which doesn't pass through the grizzly is broken to smaller sizes before it goes through. These services are provided round the clock to ensure sufficient supply of coal to run the power plant uninterruptedly.

The Company also provide housekeeping services in the coal handling plant (CHP) areas like in the conveyor belt surrounding areas, cable trays, trenches, drains, sump pit where spilled coal is to be collected and shifted manually with adequate manpower to ensure the smooth functioning of the equipment.

**Coal Trading:**

The Company source quality coal from domestic and international players and offer at competent prices to the power plants.

With a boost in infrastructure in India, Refex foresees a tremendous growth in all the business segments.

**B. Significant Accounting Policies Basis of Preparation of financial statements**

- **Statement of Compliance**

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

- **Preparation and compliance with Indian Accounting Standards (IND AS)**

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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 considers 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 Standalone financial statements is determined on such a basis, 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 realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised 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 principal accounting policies are set out below.

- **Recent accounting pronouncements**

*2.1.3.a. Ind AS 116 Leases:*

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

The effect of adoption as on transition date would be insignificant on the financial statements.

*2.1.3.b. Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:*

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss),

tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition –

- i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

The company is in the process of evaluation of impact of such pronouncement.

*2.1.3.c. Amendment to Ind AS 12 – Income taxes:*

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment

*2.1.3.d. Amendment to Ind AS 19 – plan amendment, curtailment or settlement:*

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

• The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The company is in the process of evaluation of impact of such pronouncements.

### Historical Cost convention

The financial statements have been prepared under historical cost convention on accrual basis except for certain assets and liabilities as stated in the respective policies, which have been measured at fair value.

- **Current / Non-Current classification**

The assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

- **Revenue recognition**

#### Revenue from Sales of goods and Electricity

The company manufactures and sells a range of refrigerant gases and generates electricity. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. In case of electricity, sales are recognised when power generation is passed on to the electricity grid.

Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the customer has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

No element of financing is deemed present as the sales are made with the credit term, consistent with market practice.

A receivable is recognised when the goods/electricity are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

### Revenue from sale of services

Revenue from providing services is recognized in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided the proportion of service rendered is determined by cost involved for the project as against total cost. Any promise made in the contract, which are identified distinct is accounted for as a separate performance obligation. Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management. In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the company exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

### Interest income:

Interest income from, if any, non-current financial assets are recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

Interest income from fixed deposits in banks is recognised on time proportion basis, determined by the amount outstanding and the rate applicable.

**Fair value gains** on current investments carried at fair value are included in Other income.

**Other items of income** are recognised as and when the right to receive arises.

- **Property Plant and Equipment**
- **Tangible Assets**

Freehold land is carried as historical cost. All other items of property plant and equipment are stated at historical cost of acquisition less accumulated depreciation and amortization and impairment. Historical cost includes purchase price, taxes and duties (Net of tax credits), labour cost and directly attributable overhead expenditure incurred upto the date the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic 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 separate asset is derecognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

Depreciation is recognised using the straight-line method. The estimated useful lives and residual values are reviewed at the end of each year, with the effect of any changes in estimate accounted for on a prospective basis. The useful lives of assets are adopted to as specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

On transition to Ind AS, Group has elected to continue carrying value of all its property plant and equipment recognized as at 1 April 2017 measured as per the previous GAAP and use that carrying value as deemed cost of the property, plant and Equipment.

An item of property, plant and equipment is derecognised upon disposal. Any gain or loss arising on the disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

### 2.3.2 Intangible Assets

#### Rights under Service Concession Arrangements

Intangible assets are recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment.

#### Other intangible assets

Specialized software is amortized over a period of three to six years on straight line there is no time period, only subscription payable basis from the month in which the addition is made.

Intangible assets acquired are measured at cost less accumulated amortisation and impairment losses.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods to allocate the assets' revised carrying amount over its remaining useful life.

- **Impairment of assets**

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its 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. Assessment is also done at each Balance

Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

- **Capital Work in Progress**

The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

- **Depreciation and Amortization**

*Depreciation*

The depreciable amount of an item of PPE is allocated on a straight-line basis over its useful life as prescribed above.

If part of an item of PPE with a cost that is significant in relation to the total cost of the asset and useful life of that part is different from remaining part of the asset; such significant part is depreciated separately. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale / disposal and includes amortization of intangible assets. An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Depreciation is charged on pro-rata basis from the date of addition / till the date of disposal. Gains and losses on disposal of assets are determined by comparing the sale proceeds with the carrying amount. These are included in profit or loss within other income.

The residual values are not more than 5% of original cost of the asset. The asset's residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

- **Borrowing costs**

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset. The Company recognises other borrowing costs as an expense in the period in which it incurs them. A qualifying asset is an asset that necessarily takes a substantial period to get ready for its intended use or sale.

To the extent the Company borrows generally and uses them for the purpose of obtaining a qualifying asset, amount of borrowing cost eligible for capitalization is computed by applying a capitalization rate to the expenditure incurred. The capitalization rate is determined based on the weighted average of borrowing costs, other than borrowings made specifically towards purchase of a qualifying asset.

- **Foreign Currency translation**

- Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.
- Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing rate are adjusted in the cost of fixed assets specifically financed by the borrowings contracted, to which the exchange differences relate.
- Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

- **Employee Benefits**

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

- **Short Term Obligations**

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- in case of non-accumulating compensated absences, when the absences occur.

- **Post-employment obligation**

The company operates the following post-employment benefit schemes.

Defined benefit plans such as gratuity for its eligible employees and defined contribution plans such as provident fund.

***Defined Benefit Plan (Gratuity)***

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### ***Deferred tax***

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

**Current and deferred Tax for the year**

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Minimum Alternate Tax (MAT) is accounted as current tax when the Company is subjected to such provisions of the Income Tax Act. However, credit of such MAT paid is available when the Company is subjected to tax as per normal provisions in the future. Credit on account of MAT is recognized as an asset based on its recoverability in the future.

- **Provision and Contingent Liabilities**

- **Provisions**

A provision is recorded when the Company has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

- **Contingent Liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

- **Leases**

The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the date of inception.

**Finance leases:**

- (a) Property, plant and equipment acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, to obtain a constant periodic rate of interest on the outstanding liability for each period.
- (b) Property, plant and equipment given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease income is recognised over the period of the lease to yield a constant rate of return on the net investment in the lease.

**Operating leases:**

(a) Property, plant and equipment acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease.

(b) Property, plant and equipment leased out under operating leases are continued to be capitalised by the Company. Rental income is recognised on a straight-line basis over the term of the relevant lease.

- **Cash and Cash equivalents**

Cash and cash equivalents include cash in hand, Balances in Bank and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

- **Financial assets**

- **Classification**

The Company classifies its financial assets in the following measurement categories:

(i) Those measured subsequently at fair value through other comprehensive income (in case of investments in equity instruments) through profit or loss (in case of investments in mutual funds)

(ii) Those measured at amortised cost

The classification is based on the Company's business model for managing the financial assets and the contractual terms of the cash flow for assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

- **Measurement**

- **Initial Measurement**

The Company measures a financial asset at its fair value plus cost that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

- **Subsequent measurement**

**Investments****Fair value through Profit and loss**

Assets that do not meet the criteria for amortised cost or Fair Value Through Other Comprehensive Income (FVOCI) are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other

gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

- **Other financial assets**

After Initial Measurement, financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR) method. Amortised cost is calculated by considering any discount or premium and fees or cost that are an integral part of EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

- **Impairment of financial assets**

The Company assesses on a forward-looking basis, the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk.

For trade receivables (If any), the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

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

- **De recognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when the rights to receive cash flows from the asset have expired.

- **Financial Liabilities**

- **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities shall be subsequently measured at fair value

- **Initial recognition and measurement**

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

- **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to interest-bearing loans and borrowings.

- **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and 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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

- **Government grants**

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve.

- **Dividend to Shareholders**

Final dividend distributed to equity shareholders is recognized in the period in which it is approved by the members of the Company in the Annual General Meeting. Interim dividend is recognized when approved by the Board of Directors at the Board Meeting. Dividend distributed is recognized in the Statement of Changes in Equity.

- **Earnings per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

- **Derivative financial instruments**

The Company uses derivative financial instruments, such as forward contract to manage its exposure to foreign exchange risks. Any derivative that is either not designated as a hedge or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit



or loss and the resulting exchange gains or losses/ fair value changes are included in Statement of profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

- **Segment Information**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM").

The board of directors of the Company assesses the financial performance and position of the Company, and makes strategic decisions. The board of directors has been identified as being the CODM. Refer note 34.

- **Prior Period**

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that led to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

- **Cash flow statement**

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year is classified by operating, investing and financing activities.

- **Critical Estimates and Judgements**

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amount of assets and liabilities as of the balance sheet date and reported revenue and expenses for the year and disclosure of contingent liabilities as of the date of balance sheet. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant circumstances as of the date of financial statements. Actual amounts could differ from these estimates.

This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which may be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed in about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation of each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

- i. Estimation of current tax expense and payable – Note 5 in notes to accounts
- ii. Estimation of defined benefit obligation – Note 33 in notes to accounts
- iii. Estimation of useful life of Property, Plant and Equipment and Intangibles – Note 2.3

**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.

Standalone 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	Solar Plant with 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>

## Note 3 - Non Current Investments

Particulars	As at March 31, 2019	As at March 31, 2020
<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>	<b>-</b>	<b>-</b>

## 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	4,802.66	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>



### 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 for 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*

## Note 9 - Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
i) Balances with banks		
* <b>Current Accounts</b>	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>2,095.61</b>	<b>387.40</b>

## Note 10 - Other Current Financial Assets

Particulars	As at March 31, 2020	As at March 31, 2019
i) <b>Unsecured, considered good;</b>		
- Loans and advances to Employees	1.18	0.51
- Interest receivable from Related Parties	209.57	-
- Security deposit given to Related Party	700.00	-
- Loans and advances to Related Parties measured at amortized cost	-	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
<b>Unsecured considered good</b>		
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>

**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
Sherisha 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</b>	<b>29.71%</b>

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

Borrowings Particulars	Short Term		Long Term	
	As at March 31,	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
<b>(i) Secured</b>				
- Vehicle Loan	12.75	-	-	8.99
- others	-	-	-	-
<b>(ii) Unsecured</b>				
-Inter Corporate Deposits at Amortized Cost	150.00	-	-	-
- Term Loan	9.15	-	-	8.94
<b>Total</b>	<b>171.90</b>	<b>-</b>	<b>-</b>	<b>17.93</b>

**Terms:-**

- Term loan from banks are repayable in 11 Months, rate of interest at 16% and Unsecured
- 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 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)
<b>Balance as at March 31, 2020</b>	<b>422.10</b>	<b>2,324.12</b>	<b>-</b>	<b>3,291.84</b>	<b>(5.27)</b>		<b>6,032.79</b>

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)
<b>Balance as at March 31, 2019</b>	<b>422.10</b>	<b>2,324.12</b>	<b>-</b>	<b>(20.77)</b>	<b>(0.07)</b>		<b>2,725.37</b>



## 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>

## 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	166.34
Interest from Fixed Deposits	4.49	2.23
Foreign Exchange Flucuation - 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>185.38</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>

**Note 28. Contingent Liabilities:**

(Rs. In lakhs)

Particulars	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
			(₹ in Lakhs)
<b>Cases filed against our Company</b>			
1. 1.	Civil	2	302.67
<b>Cases filed by our Company</b>			
2. 1.	Civil	6	1901.32
3. 2.	Criminal (under section 138 of the Negotiable Instruments Act)	1	4.75

We cannot assure you that these legal proceedings will be decided in favour of our Company, as the case may be, or that no further liability will arise out of these proceedings. Further, such legal proceedings could divert management time and attention and consume financial resources. Any adverse outcome in any of these proceedings may adversely affect our profitability and reputation and may have an adverse effect on our results of operations and financial condition.

## 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	0.38	4.24
	(iii) Import of Materials/ Equipment (CIF Value)		
	a. Refrigerant Gases	1076.09	873.71
	b. Capital goods	-	113.98
	c. Components and spares	2.46	-
	d. Finished goods/Semi Finished goods	-	-
	e. Raw Materials	-	1.27
	f. Others	13.81	-
<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
	Amount remaining unpaid to any supplier:		
1	a) Principal Amount	301.59	149.80
	b) Interest due thereon	-	-
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	10,118.07	-	-
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. 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	9.15	-	-	-	9.15
Vehicle Loans	12.75	-	-	-	12.75
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	16.50%	16.50%
- 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	171.90	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	-	-
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	+1.00%	20.8	14.56
	-1.00%	-27.92	-19.28
Salary growth Rate	+1.00%	-27.84	-19.25
	-1.00%	20.81	14.54
Attrition Rate	+50%	-23.7	-16.63
	-50%	24.33	16.73
Mortality Rate	+10%	-24	-16.68
	-10%	24.01	16.68

**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	10% p.a for first 3 years and
	7.5% p.a thereafter	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)

Particulars	31.03.2020	31.03.2019
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)

Particulars	31.03.2020	31.03.2019
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)

Particulars	31.03.2020	31.03.2019
Defined benefit obligation (base)	(3.32)	(2.08)

(Rs. In lakhs)

Assumption	Change in Assumption	31.03.2020	31.03.2019
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	10% p.a for first 3 years and
	7.5% p.a thereafter	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"**

The Company has not derived revenues from any customer which amount to 10 per cent or more of Company's revenues except KSK Mahanadi Power Company Ltd having 42.61% & M.S Fuels 21.07%.

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>2,725.96</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>

Particulars	March 31,2020	March 31,2019
<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	8,744.21	1,593.68
<b>Total- Segment Assets</b>	<b>13,792.52</b>	<b>15,850.92</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	215.1	241.15
Sale of Service	1,107.91	-
Unallocated		3,533.07
Corporate	8,979.20	772.68
<b>Total-Segment Liabilities</b>	<b>13,792.52</b>	<b>15,850.92</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 01.04.19	Additions/ Transfers during the year	Utilization during the year	Reversal during the year / Transfers during the years	Closing balance as on 31.03.20
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. Related Parties:****Refex Industries Limited****Related Party Disclosures as at 31<sup>st</sup> March, 2020****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	11.6
	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	-	515.6
SEI CleanTech Pvt Ltd	Reimbursement	0.13	-
Sei Tejas Pvt Ltd	Sales	33.71	-
SunEdison Energy India Pvt Ltd	Sales	0.2	-
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	8,062.35
<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	Other Current Financial Assets-Adv	700.00	180.03
	Rental Deposit	7.00	7.00
	Interest Receivable	163.87	-

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

### 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: 006853S

M.Krishnakumar B,SC FCA  
Proprietor  
Membership No. 203929  
Firm Registration No. with ICAI:006853S  
Place: Chennai  
Date: 30th June 2020

For and On behalf of the Board of Directors

T.AnilJain  
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



## Consolidated Statement of Cash Flow for the year ended 31st March 2020

(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)

(Rs. In Lakhs)

Particulars	For Year Ended	For Year Ended
	March 31, 2020	March 31, 2019
	Audited	Audited
<b>Cash flows from operating activities</b>		
<b>Profit Before Taxes</b>	<b>4,802.03</b>	<b>2,886.51</b>
<b>Adjustments:</b>		
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
<b>Operating cash flow before working capital changes</b>	<b>7,852.19</b>	<b>2,827.56</b>
<b>Changes in</b>		
Decrease/(Increase) In Trade Receivables	(1,264.63)	(5,098.30)
Decrease/(Increase) In Other current Financial Asset(s)	(112.19)	2,738.64
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)	5,977.38
(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)
<b>Cash generated from / (used in) operations</b>	<b>1,188.43</b>	<b>4,418.33</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(22.71)	(180.00)
Proceeds from sale of fixed assets	-	0.05
(Investment in) / Withdrawal of fixed deposits	-	-
Interest received	479.09	185.38
<b>Net cash generated from/(used in) investing activities [B]</b>	<b>456.38</b>	<b>5.42</b>
<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)
Proceeds from long term loans	-	-
Repayment of long term loans	-	-
<b>Net cash used in financing activities</b>	<b>63.40</b>	<b>(4,106.31)</b>
<b>Increase in cash and cash equivalents</b>	<b>1,708.21</b>	<b>317.75</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>387.40</b>	<b>69.65</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2,095.60</b>	<b>387.40</b>
<b>Components of cash and cash equivalents (refer note 21)</b>		
Cash on hand	10.06	12.95
Balances with banks	2,085.55	374.45
<b>Total cash and cash equivalents</b>	<b>2,095.60</b>	<b>387.40</b>

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: 006853S  
**M.Krishnakumar B.SC FCA**  
Proprietor  
Membership No. 203929  
Firm Registration No. with ICAI:006853S  
Place: Chennai  
Date: 30th June 2020

**T.AnilJain**  
Managing Director  
(DIN:00181960)  
**Pillappan Amalanathan**  
Director  
(DIN:08730795)

For and On behalf of the Board of Directors

**Dinesh Kumar Agarwal**  
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Director  
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**S.Gopalkrishnan**  
Company Secretary

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Chief Financial Officer

