Notes to Financial Statements for the year ended March 31, 2021

1. Company Overview:

Responsive Industries Limited ("the Company"), was incorporated on 13th July, 1982, CIN L65100MH1982PLC027797. The Company is a Public Limited Company incorporated and domiciled in Mumbai, Maharashtra, India and is having its registered office at Village Betagaon, Mahagaon Road, Boisor East, Palghar – 401 501. The Company has primary listing in Bombay Stock Exchange Limited (BSE) and National Stock Exchange (NSE) of India Limited.

The Company is a major producer and supplier of various articles made out of Plastics / Polymers, which includes products like Vinyl flooring, Rigid PVC, Leather Cloth & Soft Sheeting's.

2. Statement of Significant Accounting Policies:

2.1 Basis of preparation of Standalone Ind AS Financial Statements:

The Standalone Ind AS financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended ; and the other relevant provisions of the Act and Rules thereunder.

The Standalone Ind AS financial statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

2.2 Use of estimates:

The preparation of the Standalone Ind AS financial statements of the Company in accordance with Indian Accounting Standards (Ind-AS) requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities at the date of the Standalone Ind AS financial statements. These estimates are based upon management's best knowledge of current events and actions; however uncertainty about these assumptions and estimates could result in outcomes that may require adjustment to the carrying amounts of assets or liabilities in future periods. Appropriate revisions in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Revisions in estimates are recognized prospectively in the Standalone Ind AS financial statements in the period in which the estimates are revised in any future periods affected.

2.3 Fair Value Measurement:

The Company measures certain financial instruments at fair value at each reporting date.

Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial asset and liabilities.

Fair value is the price that would be received to sell an asset or paid to settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company uses valuation techniques, which are appropriate in circumstances and for which sufficient data is available considering the expected loss/ profit in case of financial assets or liabilities.

2.4 Revenue Recognition

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization and when the revenue can be reliably measured.

Revenue from sale of goods is recognized when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained.

Revenue from the sale of goods is net-off returns, taxes or duties collected on behalf of the government and applicable discounts and rebates.

Interest income is recognized using Effective Interest Rate (EIR) method.

Revenue in respect of export sales is recognized on the basis of dispatch of goods for exports. (i.e. on the date of Bill of Lading).

Dividend is recognized when right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reasonably.

Other Income is accounted for on accrual basis, when certainty of receipt is established.

2.5 Inventories

Inventories of Raw Materials, Finished Goods, Semi-Finished Goods, Stores and Spares and Packing Materials, are valued at cost or net realizable value, whichever is lower. Materials-in-transit are valued at cost-to-date. Cost comprises of all cost of purchases, cost of conversion and other costs incurred in bringing the inventory to their present location and conditions. Cost is arrived at on FIFO basis. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

2.6 Property, Plant and Equipment (PPE):

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Spare parts which meet the definition of Property, Plant and Equipment are capitalized as Property, Plant and Equipment. In other cases, the spare part is inventorised on procurement and charged to the Statement of Profit and Loss on consumption.

An item of property, plant and equipment and any significant part initially recognised separately as part of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognised.

The residual values and useful lives of property, plant and equipment are reviewed at regular intervals and changes, if any, are accounted in line with revisions to accounting estimates.

2.7 Capital Work in Progress

Cost of assets not ready for use at the balance sheet date is disclosed under capital work-in-progress. Expenditure during construction period is included under Capital Work in Progress & the same is allocated to the respective PPE on the completion of its construction.

2.8 Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

2.9 Borrowing costs

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

2.10 Depreciation

Depreciation on Plant, Property and Equipment has been provided on the Straight - Line basis, over the estimated useful lives of assets. The Company provides pro-rata depreciation from the date of addition / up to the date of deletion made during the reporting period. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. The cost and related accumulated depreciation are eliminated from the Standalone Ind AS financial statements upon sale or disposal of the asset and the resultant gains or losses are recognized in the statement of Profit and Loss.

The useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act, except in case of Plant & Machinery which are depreciated over a useful lives of 20 years based on the technical assessment.

2.11 Impairment of Non - financial Assets:

Non – financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is the higher of the assets or Cash Generating Units (CGU) fair value less cost of disposal and it value in use. Recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.12 Government Subsidy

Grants and subsidies from the Government are recognized if the following conditions are satisfied,

- There is reasonable assurance that the Company will comply with the conditions attached to it.
- Such benefits are earned and reasonable certainty exists of the collection.

Government grants related to revenue are recognized on a systematic basis in net profit in the statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

2.13 Taxes on Income

a) Current Tax

Income-tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

b) Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

Deferred Tax asset and liability are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled based on rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.14 Financial Assets

a) Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

- **Debt instruments at Fair value through Other Comprehensive Income (FVTOCI)**

  A 'debt instrument' is measured at the fair value through other comprehensive income if both the following conditions are met:

  - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in other comprehensive Income.

- **Debt instruments at Fair value through profit or loss (FVTPL)**

  Fair value through profit or loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

- **Equity investments**

  All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when.

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

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Accumulated gains or losses on equity instruments measured at FVTOCI are never reclassified to the Statement of Profit and Loss.

d) Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial asset measured at amortised cost
- Financial asset measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, considering historical trend, industry practices and the business environment in which the Company operates or any other appropriate basis.

The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

2.15 Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities. The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

(i) Financial Liabilities at fair value through profit or loss (FVTPL)

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit and Loss.

(ii) Financial Liabilities measured at amortised cost

After initial recognition, financial liabilities other than those which are classified as fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method ("EIR").

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

c) 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

2.16 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, or to realise the assets and settle the liabilities simultaneously.

2.17 Employee Benefits

a) **Short-term employee benefit**

Short term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

b) **Post-employment obligations**

The Company operates the following post – employment schemes:

1. Defined benefit plans such as gratuity, and
2. Defined contribution plans such as provident fund.

Gratuity Obligation:

Provision for Gratuity is recorded on the basis of actuarial valuation certificate provided by the actuary using Projected Unit Credit Method.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund, etc. are charged to the Statement of Profit and Loss as incurred.

2.18 Foreign Currency Transactions:

a) Functional and Presentation Currency:

The Standalone Ind AS financial statements are presented in Indian rupees which is the functional currency for the Company. All amounts have been rounded off to the nearest millions, unless otherwise indicated.

b) Monetary items:

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items (except for long term monetary items taken prior to April 1, 2016) are recognised in Statement of Profit and Loss either as Profit or Loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

The Company has elected to continue the policy adopted under previous GAAP for accounting the foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items outstanding as on 31st March, 2016 i.e. foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in other cases, if any, accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of the asset or liability.

c) Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.19 Provisions, Contingent Liabilities and Capital Commitments

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation

The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

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

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized in the Standalone Ind AS financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

2.20 Earnings per Share

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

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

2.21 Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act

2.22 Cash and Cash equivalents

Cash and cash equivalents include cash at bank, cash, cheque and draft on hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

2.23 Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

Notes to Financial Statements for the year ended March 31, 2021

Note 3 : Property, Plant and Equipments

(Rs. in Million)

Particulars	Freehold Land	Factory Building	Plant and Machinery	Electrical Installation	Furniture and Fixtures	Office equipments	Computer	Motor Cars	Motor Trucks	Weighing Scale	Total
Year Ended March 31, 2021											
Gross Carrying Amount											
As at April 1, 2020	78.10	234.54	7,480.26	9.94	4.74	12.73	7.62	79.86	1.60	0.15	7,909.54
Additions	-	-	6.16	-	-	0.11	0.06	2.92	-	-	9.26
Disposals	-	-	-	-	-	-	-	(14.37)	(1.60)	-	(15.97)
Closing Gross Carrying Amount	**78.10**	**234.54**	**7,486.42**	**9.94**	**4.74**	**12.85**	**7.68**	**68.41**	**0.00**	**0.15**	**7,902.83**
Accumulated Depreciation											
Upto March 31, 2020	-	42.86	3,961.71	8.71	1.63	8.96	6.34	28.75	0.28	0.11	4,059.36
For the year	-	8.81	412.70	0.53	0.31	1.17	0.79	8.85	0.17	0.02	433.36
Reversal on account of disposals	-	-	-	-	-	-	-	(10.29)	(0.47)	-	(10.76)
Closing Accumulated Depreciation	**-**	**51.67**	**4,374.41**	**9.25**	**1.94**	**10.14**	**7.15**	**27.30**	**0.00**	**0.13**	**4,481.96**
Net Carrying Amount as at March 31, 2021	**78.10**	**182.87**	**3,112.01**	**0.70**	**2.80**	**2.70**	**0.55**	**41.11**	**(0.00)**	**0.02**	**3,420.87**
Year Ended March 31, 2020											
Gross Carrying Amount											
As at April 1, 2019	78.10	234.54	7,454.91	9.94	4.65	10.64	6.99	80.22	36.57	0.15	**7,916.71**
Additions	-	-	25.35	-	0.09	2.09	0.63	17.24	1.60	-	47.00
Disposals	-	-	-	-	-	-	-	(17.60)	(36.57)	-	(54.17)
Increase / (Decrease) in foreign exchange fluctuations (net)	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount	**78.10**	**234.54**	**7,480.26**	**9.94**	**4.74**	**12.73**	**7.62**	**79.86**	**1.60**	**0.15**	**7,909.54**
Accumulated Depreciation											
Upto March 31, 2019	-	28.82	3,430.77	7.55	1.11	7.19	5.04	32.27	0.49	0.09	3,513.33
For the year	-	14.04	530.94	1.16	0.52	1.77	1.30	10.58	14.38	0.02	574.71
Reversal on account of disposals	-	-	-	-	-	-	-	(14.10)	(14.59)	-	(28.70)
Closing Accumulated Depreciation	**-**	**42.86**	**3,961.71**	**8.71**	**1.63**	**8.96**	**6.34**	**28.75**	**0.28**	**0.11**	**4,059.34**
Net Carrying Amount as at March 31, 2020	**78.10**	**191.68**	**3,518.55**	**1.23**	**3.11**	**3.77**	**1.28**	**51.11**	**1.32**	**0.04**	**3,850.20**

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

Particulars	31-Mar-21	31-Mar-20
Note 4 : Investments		
Investments in equity instruments of Subsidiary companies at Cost		
(Unquoted and fully paid up)		
Axiom Cordages Limited	1,657.88	257.75
[2,95,50,725 (P.Y. 1,91,32,563) Equity Shares of Rs.10/- each fully paid up]		
Responsive Industries Limited, Hongkong	2,803.24	2,654.50
[40,010,000 (P.Y. 38,010,000) Equity Shares of USD 1 each]		
Responsive Industries PTE. Ltd., Singapore	44.73	-
[824,462 (P.Y. NIL) Equity Shares]		
	4,505.85	**2,912.25**
Non Current Investments		
Investments in equity instruments of Other companies at Fair Value through Profit or Loss (Quoted and fully paid up)		
Syschem India Limited of Rs. 10 each	0.19	0.19
[9,526 shares (P.Y.9,526 shares) of Rs. 10 each]		
Less: Provision for Diminution in Investment	(0.12)	(0.12)
	0.07	**0.07**
	4,505.92	**2,912.33**
Aggregate amount of		
a) Quoted non-current investments as per books	0.07	0.07
b) Market value of Quoted non-current investments	0.07	0.07
c) Unquoted non-current investments as per books	4,505.85	2,912.25
d) Provision for diminution in value of non-current investments	0.12	0.12
Current Investments		
Investments in Mutual Funds at Fair Value through Profit or Loss Quoted		
JM Multi Strategy Fund - Dividend Plan	6.26	3.82
[1,91,109 (P.Y. 1,91,109) units of Rs. 10/- each fully paid up]		
(NAV Rs. 32.7476 (P.Y. NAV Rs. 20.0122) per unit)		
ICICI Prudential Leap Fund - Series I	38.57	22.67
[2,79,516.028 (P.Y. 2,79,516.028) units of Rs. 100/- each fully paid up]		
(NAV Rs. 137.98 (P.Y. NAV Rs. 80.10) per unit)		
Motilal Oswal Focused Multicap Opp. Fund	-	9.62
[Nil (P.Y. 13,74,968.036) units of Rs. 10/- each fully paid up]		
(NAV Rs. Nil (P.Y. NAV Rs. 6.9982) per unit)		
Union Arbitrage Fund	5.52	5.33
[5,10,668 (P.Y. 5,10,668) units of Rs. 10/- each fully paid up]		
(NAV 10.8007 (P.Y. NAV Rs. 10.4608) per unit)		
Union Hybrid Equity Fund	2.65	-
[249,977.501 (P.Y. Nil) units of Rs. 10/- each fully paid up]		
(NAV 10.61 (P.Y. NAV Rs. Nil) per unit)		

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

Particulars	31-Mar-21	31-Mar-20
Investments in Other Investments at Fair Value through Profit or Loss (Unquoted)		
IDFC Score Fund	23.26	23.26
[20,500 (P.Y. 20,500) units of Rs. 1,000/- each fully paid up]		
Edelweiss Crossoveer Opportunities Fund	2.82	3.29
[3,46,430 (P.Y. 3,84,374) units of Rs. 10/- each fully paid up]		
India Realty Excellence Fund V	2.00	-
[20,000 (P.Y. Rs. Nil) units of Rs. 100/- each fully paid up]		
IIFL Yeild Enhancer Fund	16.39	19.28
[96,85,094.601 (P.Y. 96,85,094.601) units of Rs. 10/- each fully paid up]		
	97.47	**87.29**
Aggregate amount of		
a) Quoted current investments as per books	50.34	41.46
b) Unquoted current investments as per books	47.13	45.83
c) Market value of Quoted current investments	50.34	41.46
d) Provision for diminution in value of current investments	-	-
Note 5 : Other Financial Assets		
(Unsecured and considered good, unless otherwise stated)		
Non - Current		
Considered Good		
Security deposits	26.97	18.03
Advance Against Investment in Shares of Responsive Industries LLC (USA)	297.10	-
	324.07	**18.03**
Current		
Dividend Receivables	5.74	2.65
Other Receivables	1.68	0.08
Deposits	5.40	13.13
Interest accrued on Security Deposits - Considered Good	2.45	2.62
	15.27	**18.47**
Note 6 : Income Tax Asset (net)		
Advance Tax & TDS (net of Provisions)	15.95	23.22
	15.95	**23.22**
Note 7 : Other Non Current Assets		
(Unsecured, Considered Good, unless otherwise stated)		
Prepaid expenses	0.75	0.49
	0.75	**0.49**

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

Particulars	31-Mar-21	31-Mar-20
Note 8 : Inventories		
(at lower of cost or net realisable value)		
a) Raw Materials*	456.16	276.57
b) Goods-in-transit*	-	114.99
c) Finished Goods	282.06	45.92
d) Work in Process**	74.03	33.35
e) Stores & Spares	5.26	6.83
f) Packing Materials	4.09	4.49
	821.60	**482.15**
Included in inventories, goods - in - transit as follows		
Raw materials	-	114.99
	-	**114.99**
*PVC resin and related raw materials		
**PVC related products		
Note 9 : Trade receivables		
(Unsecured)		
- Considered Good	848.12	1,202.26
- Considered Doubtful	-	-
	848.12	1,202.26
Less: Provision for Expected Credit Loss	(3.46)	(14.53)
	844.66	**1,187.73**
Current Portion	844.66	1,187.73
Non-Current Portion	-	-
	844.66	**1,187.73**
Note 10 : Cash and Cash Equivalents		
Balance with banks	26.82	24.80
Cash on hand	0.48	0.88
	27.30	**25.68**
Note 11 : Bank Balances Other than Cash and Cash Equivalents		
Fixed Deposits with Bank *		
- maturity beyond 3 months and less than 12 months	140.51	126.35
	140.51	**126.35**
*Out of the above, Fixed Deposits amounting to Rs. **140.51** million (PY. Rs. 126.05 million) is on Lien against facilities taken from bank.		
Note 12 : Loans		
Current		
Loans and advances to staff	1.73	2.62
	1.73	**2.62**

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

Particulars	31-Mar-21	31-Mar-20
Note 13 : Other Current Assets		
(Unsecured, Considered Good, unless otherwise stated)		
Advances towards Purchases of Goods and Services	48.16	13.40
Prepaid expenses	23.28	18.20
Balance with Tax Authorities	42.71	78.91
	114.15	**110.51**
Note 14 : Equity Share Capital		
Authorised		
42,00,00,000 (PY 42,00,00,000) Equity shares of Re.1/- each	420.00	420.00
	420.00	**420.00**
Issued, Subscribed and Fully Paid up		
26,69,12,700 (PY 26,69,12,700) Equity shares of Re.1/- each fully paid up	266.91	266.91
	266.91	**266.91**
a. Reconciliation of shares outstanding at the beginning and at the end of the year		
Opening balance of shares	26,69,12,700	26,69,12,700
Closing balance of shares	**26,69,12,700**	**26,69,12,700**
b. Shares held by holding entity and subsidiary company		
Holding Entity - [Wellknown Business Ventures LLP]	12,34,25,340	12,34,25,340
Subsidiary Company - [Axiom Cordages Limited]	44,18,330	44,18,330
c. Details of shareholders holding more than 5% shares in the company		
1) Wellknown Business Ventures LLP		
- Number of share held	12,34,25,340	12,34,25,340
- % of total equity share capital	46.24%	46.24%
2) Fosserbridge Limited		
- Number of share held	3,28,96,800	3,28,96,800
- % of total equity share capital	12.33%	12.33%
3) Xatis International Limited		
- Number of share held	3,27,00,720	3,27,00,720
- % of total equity share capital	12.25%	12.25%
4) Parshvanath Comtrade LLP		
- Number of share held	2,50,00,000	2,50,00,000
- % of total equity share capital	9.37%	9.37%
5) Brenzett Limited		
- Number of share held	1,53,62,708	1,53,62,708
- % of total equity share capital	5.90%	5.90%

d. There are no bonus shares,shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

e. **Rights / Preferences and restrictions attached to equity shares.**

Each holder of equity shares is entitled to one vote per equity share. They are entitled to receive dividend proposed by the Board of Directors and approved by shareholders in General Meeting, right to receive annual report and other quarterly / half yearly / annual publications and right to get new shares proportionately in case of issuance of additional shares by the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Particulars	31-Mar-21	31-Mar-20
Other Equity		
Capital Reserve	1.38	1.38
Securities Premium Reserve	1,438.59	1,438.59
General Reserve	0.10	0.10
Retained Earnings	4,934.53	4,888.05
Other Comprehensive income	10.08	1.75
	6,384.69	**6,329.87**
(i) Capital reserves		
Opening balance	1.38	1.38
Closing Balance	**1.38**	**1.38**
(ii) Securities Premium Reserve		
Opening balance	1,438.59	1,438.59
Closing Balance	**1,438.59**	**1,438.59**
(iii) General reserves		
Opening balance	0.10	0.10
Closing Balance	**0.10**	**0.10**
(iv) Retained Earnings		
Opening balance	4,888.05	4,689.10
Add:		
- Profit for the year as per Statement of Profit and Loss	65.16	247.20
Less: Appropriation		
- Final dividend		
- on Equity Shares	16.45	32.03
- Tax on final dividend	2.24	6.58
- Interim Dividend		
- on Equity Shares	-	8.01
- Tax on Interim Dividend	-	-
	4,934.53	**4,889.68**
Other Comprehensive Income		
Opening balance	1.75	2.27
Add: For the year		
- Remeasurement of net defined plans (net of tax)	8.33	(0.52)
Closing Balance	**10.08**	**1.75**
Total	**6,384.69**	**6,331.50**

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

Nature and Purpose of Reserves :

Capital Reserves

Capital Reserve is created on account of Forfeiture of Equity Shares.

Securities Premium Reserve

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act..

General Reserve

General Reserve represents appropriation of retained earnings and are available for distribution to shareholders.

Retained Earnings

Retained Earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

Particulars	31-Mar-21	31-Mar-20
Note 15 : Borrowings		
Non Current Borrowings		
Secured - From Banks		
Vehicle Loans (Refer Note below)	6.20	9.52
Less- Current Maturites	(3.40)	(5.79)
Term Loan from Union Bank of India	310.00	-
Less- Current Maturites	(6.46)	-
Unsecured - From Related Parties		
Axiom Cordages Limited - Term Loan	1,183.50	-
Total Non Current Borrowings	**1,489.83**	**3.74**
Current Borrowings		
Secured - From Banks and Financial Institutions		
Buyer Credit With Union Bank of India (Refer Note 1 below)	155.26	-
Packing Credit Foreign Currency Loans (Refer Note 2 below)	1,047.60	871.36
EBRD (Post Shipment) Loan (Refer Note 3 below)	410.49	393.67
Cash Credit Facility (Refer Note 4 below)	51.57	392.22
Total Current Borrowings	**1,664.92**	**1,657.25**

Note 1 : Buyer Credit of Rs.155.26 million (PY Rs. Nil) are secured by first ranking pari passu hypothecation charge on entire current assets of the company both present and future.

Note 2 : PCFC Loan of Rs.1047.60 million (PY Rs.871.36 million) are secured by first ranking pari passu hypothecation charge on entire current assets of the company both present and future.

Note 3 : EBRD (Post Shipment) of Rs. 410.49 (PY Rs. 393.67) are secured by first ranking pari passu hypothecation charge on entire current assets of the company both present and future.

Note 4 : Cash Credit Facility of Rs. 51.57 million (PY Rs. 392.22 million) are secured by first ranking pari passu hypothecation charge on entire current assets of the company both present and future.

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

Particulars	31-Mar-21	31-Mar-20
Note 16 : Other financial liabilities		
Non - Current		
Security Deposits from Subsidiary Company	0.003	0.003
Deferred rent - Subsidiary Company	4.38	4.43
	4.38	**4.43**
Current		
Current Maturities of Long Term Debt	9.86	5.79
	9.86	**5.78**
Note 17 : Provisions		
Non - Current		
Provision for Gratuity	36.64	37.27
	36.64	**37.27**
Current		
Provision for Gratuity	1.44	7.12
	1.44	**7.12**

Note 18 : Tax Expense

(a) Amount recognised in Statement of Profit and Loss

Particulars	2020-21	2019-20
Current Tax expense (A)		
Current year	31.60	70.90
Short / (Excess) provision of earlier year	4.95	1.81
	36.55	**72.71**
Deferred tax expense (B)		
Origination and reversal of temporary differences	16.34	(51.17)
Tax expense recognised in the income statement (A+B)	**52.89**	**21.54**

(b) Amount recognised in other comprehensive income

Particulars	2020-21			2019-20		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurement of the defined benefit plans	11.14	(2.80)	8.33	0.70	(0.18)	0.52
	11.14	**(2.80)**	**8.33**	**0.70**	**(0.18)**	**0.52**

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

(c) Reconciliation of effective tax rate

Particulars	2020-21	2019-20
Profit before tax	**118.06**	**268.74**
Tax using the company domestic tax rate	29.71	67.64
Tax effect of:		
Tax effect on non deductible expenses	17.72	4.51
Others	0.51	(52.42)
Adjustment recognised in current year in relation to the current tax of prior years	4.95	1.81
Tax expense as per Statement of the Profit and loss	**52.89**	**21.54**
Effective tax rate	44.80%	8.02%

(d) Movement in deferred tax balances

Particulars	Net balance as at April 1, 2020	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Net Balance as at March 31, 2021	Deferred tax liability	Deferred tax asset
Deferred tax (Asset)/Liabilities							
Property, plant and equipment & Intangible assets	136.99	11.74	-	-	148.73	148.73	-
Investments	9.40	-	-	-	9.40	9.40	-
Fair Valuation of Non-current Assets	(0.04)	-	-	-	(0.04)	-	(0.04)
Employee benefits	(5.39)	1.59	2.80	-	(1.00)	-	(1.00)
Provisions	(3.65)	2.79	-	-	(0.86)	-	(0.86)
Fair Valuation of Non-current Liabilities	0.16	-	-	-	0.16	0.16	-
Other Ind AS Impact - Land	(3.99)	-	-	-	(3.99)	-	(3.99)
Other Items	(9.05)	0.23	-	-	(8.82)	-	(8.82)
Deferred tax (Asset)/Liabilities	**124.41**	**16.34**	**2.80**	**-**	**143.55**	**158.29**	**(14.74)**

Particulars	31-Mar-21	31-Mar-20
Note 19 : Trade payables		
Amount due to Micro, Small and Medium Enterprises	-	-
Others	285.14	373.88
	285.14	**373.88**
Note 20 : Other Current Liabilities		
Advance received from Customers	38.30	26.80
Statutory Liabilities	2.72	1.78
GST Payable	1.86	5.81
	42.89	**34.39**

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

Particulars	Year Ended March 31, 2021	Year ended March 31, 2020
Note 21 : Revenue from Operations		
Sale of Products (net) *	3,662.46	4,312.37
	3,662.46	**4,312.37**
Other Operating Revenue		
Incentive and assistance	-	28.18
	3,662.46	**4,340.55**
* PVC related products		
Incentive and assistance includes export incentive in the nature of promotion of export & refund of taxes on export of goods		
22. Other income		
Dividend Income		
- from others	3.44	2.02
Interest Income		
- On Fixed Deposit	6.77	8.89
- Others	2.13	1.73
Gain on Foreign Exchange fluctuation (net)	13.98	133.66
Insurance Claim Received	0.08	6.75
Liabilities no Longer Payable hence written back (net)	-	0.28
Reversal of Provision for Expected Credit Loss	11.07	-
Fair valuation Gain on Current Investments measured at FVTPL	24.72	-
Profit on Sale of Property, Plant & Equipments	3.78	13.47
Profit on Sale of Investments	1.02	-
Rent Income	6.05	3.37
Others	(0.31)	1.83
	72.72	**171.99**
Note 23 : Cost of Materials Consumed		
Opening Stock	391.56	545.96
Add: Purchases*	2,757.90	2,438.76
	3,149.46	2,984.73
Less: Closing Stock	456.16	391.56
	2,693.30	**2,593.17**
*PVC resin and related raw materials		
Note 24 : Changes in inventories of finished goods, stock in trade and work-in-progress		
Closing Stocks:		
Finished Goods	282.06	45.92
Stock in process	74.03	33.35
	356.09	79.27
Less: Opening Stocks		
Finished Goods	45.92	70.64
Stock in process	33.35	43.87
	79.27	114.51
	(276.82)	**35.24**

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

Particulars	Year Ended March 31, 2021	Year ended March 31, 2020
Note 25. Employee benefits expense		
Salaries and wages	100.96	132.38
Provision for Gratuity (Refer Note 30)	6.46	6.28
Contribution to Provident fund and others (Refer Note 30)	3.41	4.35
Staff welfare expenses	2.51	7.67
	113.34	**150.68**
Note 26. Finance Costs		
Interest expenses on borrowing	79.76	77.61
Exchange Differences	(51.19)	112.21
Other Borrowing Costs	15.50	18.88
	44.08	**208.70**
Note 27. Other expenses		
Manufacturing Expenses		
Power & Fuel	255.49	316.85
Packing Materials consumed	13.29	15.45
Stores and Spares consumed	23.80	36.03
Repairs - Plant & Equipments	4.86	6.75
Other Manufacturing Expenses	41.38	46.01
Sales and marketing cost		
Freight & Forwarding Charges	74.53	86.44
Other Selling & Distribution Expenses	22.69	57.02
Administrative Expenses		
Conveyance and Travelling Expenses	14.23	25.12
Auditor's Remuneration (Refer note below)	2.20	3.00
Insurance charges	20.84	10.19
Legal and professional expenses	24.10	23.37
Provision for Diminution on Investments	0.00	0.02
Rates & Taxes	29.83	4.93
Rent expenses (Refer Note 29)	2.13	5.94
Loss on sale of Investments	-	0.25
Provision for Expected Credit Loss	-	5.13
Fair valuation Loss on Current Investments measured at FVTPL	-	18.93
Expenditure on Corporate Social Responsibility (CSR) (Refer Note 32)	60.84	1.00
Other Expenses	19.65	18.86
	609.86	**681.30**
Auditors' remuneration includes: (excluding GST)		
Audit Fees	2.20	3.00
Others	-	-
	2.20	**3.00**
Note 28 : Earnings per share :		
Net Profit after tax (Rs.)		
Weighted average number of equity shares for Basic EPS	26,69,12,700	26,69,12,700
Weighted average number of equity shares for Diluted EPS	26,69,12,700	26,69,12,700
Face value of Equity Share (Re.)	1	1
Basic Earnings Per Share (Rs.)	**0.24**	**0.93**
Diluted Earnings Per Share (Rs.)	**0.24**	**0.93**

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

Note 29 : Leases

		2020-21	2019-20
A.	**Leases as lessee**		
	The Company has taken premises and equipments on operating lease and entered into cancellable Leave and License Agreements. The agreements have been entered for a period of 12 months to 60 months.		
	Assets taken on Operating Lease		
	Lease Payments recognised during the year in the Statement of Profit and Loss	2.13	5.94
B.	**Leases as lessor**		
	The Company has given premises on operating lease and entered into cancellable Leave and License Agreements. The agreements have been entered for a period of 60 months.		
	Rent income	6.05	3.37

Note 30 : Employee benefit expenses

Post Employment Benefit Plans:

Defined Contribution Plans

Amount recognised in the Statement of Profit and Loss	2020-21	2019-20
Contribution to Provident fund and Employee State Insurance Corporation	3.41	4.35

Defined Benefit Plans

The Company has the following Defined Benefit Plans:

Gratuity: In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date. The following are the details of defined benefit plans:

Movement in net defined benefit (asset)/ liability

a) Reconciliation of balances of Defined Benefit Obligations.

	2020-21	2019-20
Defined Obligations at the beginning of the year	**44.39**	**39.80**
Interest Cost	2.98	2.91
Current Service Cost	3.45	3.38
Past service cost	-	-
Benefits paid	(1.60)	(2.39)
Actuarial (Gains)/ Losses on obligations		
-Changes in financial Assumptions	1.29	2.50
Changes in demographic assumption	-	0.02
-Experience adjustments	(12.43)	(1.83)
Defined Obligations at the end of the year	**38.08**	**44.39**
Defined benefit obligations at the end of the year	**38.08**	**44.39**
Changes in Fair Value of Plan Assets	-	-
Net (Asset) / Liability recognised in the balance sheet	**38.08**	**44.39**

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

b) Amount recognised in Statement of Profit and Loss

	2020-21	2019-20
Current Service Cost	3.45	3.38
Past Service Cost and loss / (gain) on curtailments and settlement	0.03	-
Interest Cost	2.98	2.91
Expenses for the year	**6.46**	**6.28**

c) Amount recognised in Other Comprehensive Income - Remeasurements :

Actuarial (Gains)/ Losses	2020-21	2019-20
-Changes in financial assumptions	1.29	2.50
-Change in demographic assumption	-	0.02
-Experience adjustments	(12.43)	(1.83)
Total	**(11.13)**	**0.70**

d) Major Actuarial Assumptions

	2020-21	2019-20
Discount Rate (%)	6.45%	6.80%
Salary Escalation/ Inflation (%)	11.00%	11.00%
Withdrawal rates	10% p.a at younger ages reducing to 2% p.a at older ages	10% p.a at younger ages reducing to 2% p.a at older ages

The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

Sensitivity analysis

Sensitivity analysis for each significant actuarial assumption as stated above, showing how the defined benefit obligation would be affected, considering increase/decrease as at 31.03.2021 and 31.03.2020 is as below:

Particulars	Gratuity - Unfunded	
	2020-21	2019-20
	Defined Benefit Obligation	Defined Benefit Obligation
Discounting rate varied by 0.5%		
+ 0.5%	36.26	42.45
- 0.5%	40.04	46.48
Salary growth rate varied by 0.5%		
+ 0.5%	39.87	45.99
- 0.5%	36.39	42.91
Withdrawal rate (W.R.) varied by 10%		
W.R. * 110%	37.74	44.07
W.R. * 90%	38.44	44.73

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation keeping all other actuarial assumptions constant.

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

The expected future cash flows as at 31st March 2021 were as follows:

Particulars	Gratuity - Unfunded
Projected benefits payable in future years from the date of reporting	
1st following year	1.14
2nd following year	1.23
3rd following year	1.95
4th following year	1.49
5th following year	1.86
Years 6 to 10	18.69

Other details as at 31.03.2021

Particulars	Gratuity - unfunded
Weighted Average Duration of the Projected Benefit Obligation (in years)	9.47
Prescribed contribution for next year (in Rs.)	1.44

Amount Recognised in Balance Sheet:-

	2020-21	2019-20
Gratuity-		
Current	1.44	7.12
Non - Current	36.64	37.27
	38.08	**44.39**

Note 31 : Disclosures on Related party transactions

i) Nature and Relationship of Related Parties

a) Subsidiary Companies

Axiom Cordages Limited

Responsive Industries Limited, Hongkong

Responsive Industries Pte Limited, Singapore

b) Holding Entity

Wellknown Business Ventures LLP

c) Step Down Subsidiary Companies

Axiom Cordages Limited, HongKong

Responsive Industries Limited, UAE

Responsive Industries LLC, USA

Axiom Cordages Limited, UAE

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

d) Directors & Key Management Personnel

1) Mr. Rishabh Agarwal	Non-Executive Chairman
2) Mr. Mehul Vala	Executive Director & Chief Executive Officer (CEO)
3) Mr. Mrunal Shetty	Director & Chief Financial Officer (CFO)
4) Mr. Rajiv Bakshi	Independent Director (Resigned on 25th February, 2021)
5) Ms. Jyoti Rai	Independent Director (Resigned on 19th March, 2021)
6) Ms. Bhumika Jain	Independent Director
7) Ms. Ruchi Jaiswal	Company Secretary

ii) Transactions with Related Parties during the year

Relationship		For the year ended March 31, 2021		For the year ended March 31, 2020	
		Total Amount	Amount for Major Parties*	Total Amount	Amount for Major Parties*
a)	**Subsidiary & Step-down Subsidiary Companies**				
	Investment in Subsidiary	1,593.60		924.32	
	Responsive Industries Limited, Hongkong		148.74		924.32
	Axiom Cordages Limited		1,400.13		-
	Responsive Industries Pte Limited, Singapore		44.73		-
	Subscription for Investment in Step-down Subsidiary	297.10		-	
	Responsive Industries LLC, USA		297.10		-
	Rent Income	6.05		3.35	
	Axiom Cordages Limited		6.05		3.35
	Dividend Paid	0.31		0.66	
	Axiom Cordages Limited		0.31		0.66
	Loan Taken	1,183.50		-	
	Axiom Cordages Limited		1,183.50		-
	Interest Expenses	8.27		-	
	Axiom Cordages Limited		8.27		-
	Sales	65.39		-	
	Responsive Industries LLC, USA		65.39		-
b)	**Holding Entity**				
	Dividend Paid	8.64		18.51	
	Wellknown Business Ventures LLP		8.64		18.51
c)	**Directors and Key Management Personnel**				
	Remuneration	2.12		2.18	
	Mehul Vala		2.12		2.18
	Salary	1.23		1.56	
	Mrunal Shetty		0.84		1.09
	Ms. Ruchi Jaiswal		0.39		0.47
	Professional Fees	-		0.29	
	Bhumika Jain		-		0.29
	Dividend Paid	0.003		0.01	
	Mr. Rishabh Agarwal		0.003		0.01

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

iii) Closing Outstanding Balances of Related Parties

Subsidiary Company	As at March 31, 2021		As at March 31, 2020	
	Total Amount	Amount for Major Parties*	Total Amount	Amount for Major Parties*
Investment in Shares	4,505.85		2,912.24	
Axiom Cordages Limited		1,657.88		257.75
Responsive Industries Limited, Hongkong		2,803.23		2,654.49
Responsive Industries Pte Limited, Singapore		44.73		-
Subscription for Investment in Shares	297.10		-	
Responsive Industries LLC, USA		297.10		-
Loan Payable	1,183.50		-	
Axiom Cordages Limited		1,183.50		-
Interest Payable (net of TDS)	7.65		-	
Axiom Cordages Limited		7.65		-
Trade Receivable	44.10		-	
Responsive Industries LLC, USA		44.10		-
Rent Deposit Payable	4.38		4.43	
Axiom Cordages Limited		4.38		4.43
Key Management Personnel				
Salary Payable	0.16		0.12	
Mehul Vala		0.05		0.05
Mrunal Shetty		0.07		0.05
Ruchi Jaiswal		0.04		0.03
Professional Fees Payable	-		0.02	
Bhumika Jain		-		0.02

Note 32 : Disclosure in respect of Expenditure on Corporate Social Responsibility Activities

Particulars	2020-21	2019-20
a) Amount required to be spent by the company during the year	6.57	7.01
b) Amount spent during the year (on purpose other than construction / acquisition of assets controlled by the company) #	60.84	1.00
c) Provision created for balance amount	-	-
# The above expenditure includes contribution to funds, expenses through registered trusts / registered society or company established under section 8 of the Act and direct expenses by the Company.		

Note 33 : Segment Reporting

The Company is primarily engaged in the business of Manufacturing & Selling of articles made out of Plastics / Polymers. As such, the Company operates in a single segment and there are no separate reportable segments as defined in Ind AS 108 - "Operating Segments". The same is consistent with the information reviewed by the Chief Operating Decision Maker (CODM).

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

Geographical Information:

The operation of the Company comprises of local sales and export sales. The Management views the Indian market and Export market as distinct geographical areas. The following is the distribution of the Company's Revenues by geographical markets :

	As at March 31, 2021	As at March 31, 2020
Revenues		
India	1,784.68	2,119.03
Export	1,877.77	2,221.52
	3,662.46	**4,340.55**

The following is the carrying amount of segment assets by geographical area in which the assets are located

Non - Current Assets (other than financial instruments and deferred tax assets)

	As at March 31, 2021	As at March 31, 2020
India	3,437.57	3,873.90
Outside India	-	-
	3,437.57	**3,873.90**

Note 34 : Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31st March 2021	Carrying amount				Fair value			
	Mandatorily at FVTPL	FVTOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments in Equity Instruments	0.07	-	-	0.07	0.07	-	-	0.07
Investments in Mutual Funds	53.00	-	-	53.00	53.00	-	-	53.00
Other Investments	44.47	-	-	44.47	44.47	-	-	44.47
Other Financial Assets	-	-	339.34	339.34	-	-	-	-
Trade receivables	-	-	844.66	844.66	-	-	-	-
Cash and cash equivalents	-	-	27.30	27.30	-	-	-	-
Bank Balances other than Cash and cash equivalents	-	-	140.51	140.51	-	-	-	-
Loans	-	-	1.73	1.73	-	-	-	-
	97.54	**-**	**1,353.54**	**1,451.08**	**97.54**	**-**	**-**	**97.54**
Financial liabilities								
Borrowings	-	-	3,154.74	3,154.74	-	-	-	-
Trade Payables	-	-	285.14	285.14	-	-	-	-
Other Financial Liabilities	-	-	14.24	14.24	-	-	-	-
	-	**-**	**3,454.12**	**3,454.12**	**-**	**-**	**-**	**-**

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

31st March 2020	Carrying amount				Fair value			
	Mandatorily at FVTPL	FVTOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments in Equity Instruments	0.07	-	-	0.07	0.07	-	-	0.07
Investments in Mutual Funds	41.46			41.46	41.46	-	-	41.46
Other Investments	45.83	-	-	45.83	45.83	-	-	45.83
Other Financial Assets	-	-	36.50	36.50	-	-	-	-
Trade receivables	-	-	1,187.73	1,187.73	-	-	-	-
Cash and cash equivalents	-	-	25.68	25.68	-	-	-	-
Bank Balances other than Cash and cash equivalents	-	-	126.35	126.35	-	-	-	-
Loans	-	-	2.62	2.62	-	-	-	-
	87.36	**-**	**1,378.89**	**1,466.25**	**87.36**	**-**	**-**	**87.36**
Financial liabilities								
Borrowings	-	-	1,660.99	1,660.99	-	-	-	-
Trade Payables	-	-	373.88	373.88	-	-	-	-
Other Financial Liabilities	-	-	10.21	10.21	-	-	-	-
	-	**-**	**2,045.07**	**2,045.07**	**-**	**-**	**-**	**-**

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The Fair Value of the Financial Assets & Liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation Technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Non current financial assets and liabilities measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/ payment discounted using appropriate discounting rates.	Not applicable	Not applicable

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

C. Financial Risk Management

C. i. Risk management framework

A wide range of risks may affect the Company's business and operational / financial performance. The risks that could have significant influence on the Company are market risk, credit risk and liquidity risk. The Company's Board of Directors reviews and sets out policies for managing these risks and monitors suitable actions taken by management to minimise potential adverse effects of such risks on the Company's operational and financial performance.

C. ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(a) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in the credit risk on an on-going basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on assets as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business

ii) Actual or expected significant changes in the operating results of the counterparty

iii) Financial or economic conditions that are expected to cause a significant change to the counterparties ability to meet its obligation

iv) Significant changes in the value of the collateral supporting the obligation or in the quality of third party guarantees or credit enhancements

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. When loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due, When recoverable are made, these are recognised as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Ageing of Accounts receivables :

Particulars	As at 31-03-2021	As at 31-03-2020
Not Due	-	-
0 - 6 months	812.64	971.80
6 - 12 months	31.17	215.93
Beyond 12 months	0.85	-
Total	**844.66**	**1,187.73**

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

Movements in provision of doubtful debts

Particulars	As at 31-03-2021	As at 31-03-2020
Opening provision	14.53	9.40
Add : Additional provision made	-	-
Less : Provision reversed	11.07	-
Add : Provision for Expected Credit Loss	-	5.13
Closing provisions	**3.46**	**14.53**

(b) Cash and cash equivalents and Other Bank Balances

The Company held cash and cash equivalents and other bank balances of Rs. 167.81 million at 31st March 2021 (P.Y. Rs. 152.03 million). The cash and cash equivalents are held with bank with good credit ratings and financial institution counterparties with good market standing. Also, Company invests its short term surplus funds in bank fixed deposit, which carry no / low mark to market risks for short duration therefore does not expose the Company to credit risk.

C. iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Company through effective fund management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and other borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

Maturity Analysis of Significant Financial Liabilities

Particulars	As at 31st March 2021	Contractual Cash Flows		
		Upto 1 year	1-5 years	More than 5 years
Non current borrowings (including current maturities)				
- Vehicle Loans	6.20	3.40	2.80	-
Term Loan from Union Bank of India	310.00	6.46	303.54	
Unsecured - From Related Parties				
Axiom Cordages Limited - Term Loan	1,183.50	-	1,183.50	-
Current borrowings				
- Buyer Credit With Union Bank of India	155.26	155.26		
- Packing Credit Foreign Currency Loans	1,047.60	1,047.60	-	-
- EBRD (Post Shipment) Loan	410.49	410.49	-	-
- Cash Credit Loan	51.57	51.57	-	-
Trade and other payables	285.14	285.14	-	-

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

Particulars	As at 31st March 2020	Contractual Cash Flows		
		Upto 1 year	1-5 years	More than 5 years
Non current borrowings (including current maturities)				
- Vehicle Loans	9.52	5.78	3.74	-
Current borrowings				
- Packing Credit Foreign Currency Loans	871.36	871.36	-	-
- EBRD (Post Shipment) Loan	393.67	393.67	-	-
- Cash Credit Loan	392.22	392.22	-	-
Trade and other payables	373.88	373.88	-	-
Other current liabilities	-	-	-	-

C. iv. b Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

Exposure to interest rate risk

Company's interest rate risk arises primarily from borrowings. The interest rate profile of the Company's interest-bearing financial instruments is as follows.

	As at 31/03/2021	As at 31/03/2020
Buyer Credit With Union Bank of India	155.26	-
Packing Credit Foreign Currency Loans	1,047.60	871.36
EBRD (Post Shipment) Loan	410.49	393.67
Cash Credit Loan	51.57	392.22
Total of Variable Rate Financial Liabilities	**1,664.92**	**1,657.25**

Cash flow sensitivity analysis for variable-rate instruments

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates :

Cash flow sensitivity (net)	Profit or loss	
INR	**50 bp increase**	**50 bp decrease**
31st March 2021		
Variable-rate loan instruments	(8.32)	8.32
Cash flow sensitivity (net)	**(8.32)**	**8.32**
31st March 2020		
Variable-rate loan instruments	(8.29)	8.29
Cash flow sensitivity (net)	**(8.29)**	**8.29**

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

C. iv. c Other price risk

The Company invests its surplus funds in various Equity and debt instruments . These comprise of mainly liquid schemes of mutual funds (liquid investments), Equity shares, Debentures and fixed deposits. This investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However due to the very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

C. iv. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

C. iv. a Currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Our exposure are mainly denominated in U.S. dollars. The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2021, March 31, 2020 are as below:

	(USD in million)
31st March, 2021	**USD**
Financial assets	
Bank Balances other than Cash and Cash Equivalents	-
Trade receivables	11.07
Net exposure for assets	**11.07**
Financial liabilities	
Short Term Borrowings	19.41
Trade and other payables	1.64
Net exposure for liabilities	**21.05**
Net exposure (Assets - Liabilities)	**(9.98)**

	(USD in million)
31st March, 2020	**USD**
Financial assets	
Bank Balances other than Cash and Cash Equivalents	-
Trade receivables	14.76
Net exposure for assets	**14.76**
Financial liabilities	
Foreign Currency Borrowings (Including Current Maturities)	-
Short Term Borrowings	16.72
Trade and other payables	2.18
Net exposure for liabilities	**18.90**
Net exposure (Assets - Liabilities)	**(4.14)**

Notes to Financial Statements for the year ended March 31, 2021

(Rs. In Millions)

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Impact of movement on Profit or (loss) and Equity : **(USD in million)**

	Profit or (loss) and Equity	
Effect in INR (before tax)	Strengthening	Weakening
For the year ended 31st March, 2021		
1% movement		
USD	(7.49)	7.49
	(7.49)	7.49

	Profit or (loss) and Equity	
Effect in INR (before tax)	Strengthening	Weakening
For the year ended 31st March, 2020		
1% movement		
USD	(3.13)	3.13
	(3.13)	3.13

Note 35 : Capital Management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern ant to optimise returns to our shareholders. Management monitors the return on capital as well as the debt equity ratio and make necessary adjustments in the capital structure for the development of the business. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day - to - day needs. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's debt to equity ratio at 31st March, 2021 was 0.48 (PY. 0.25)

Note : For the purpose of computing debt to equity ratio, equity includes Equity share capital and Other Equity and Debt includes Long term borrowings, Short term borrowings and current maturities of long term borrowings.

Note 36: Figures of previous year have been regrouped, reclassified, and / or rearranged wherever necessary to confirm with current year's presentation.

As per our attached report of even date

For **Shah & Taparia**
Chartered Accountants
Firm Registration No : 109463W

Bharat Joshi
Partner
Membership No. : 130863

Place : Mumbai
Date : 14th June, 2021

For and on behalf of the Board

Mehul Vala
Whole Time Director & CEO
DIN: 08361696

Mrunal Shetty
Director & CFO
DIN :08362895

Rishika Puri
Company Secretary
Membership No.: A49818

Place: Mumbai
Date: 14th June, 2021