

Royal Cushion Vinyl Products Limited

Cin no: L24110MH1983PLC031395

"Shlok" 60 - CD,

Govt. Industrial Estate, Charkop,
Kandivali (W), Mumbai - 400 067

Tel: + 91 22 32655828, 28603514, 16

Website: www.rcvp.in

January 25, 2022

The financial details and capital evolution of the transferee company for the previous 3 years as per the audited statement of Accounts:

Name of the Company: Royal Cushion Vinyl Products Limited ("Transferee Company")

Amount in ₹

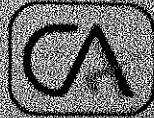
| | As per last Audited Financial Year | 1 year prior to the last Audited Financial Year | 2 years prior to the last Audited Financial Year |
|--|---------------------------------------|---|--|
| | 2020-21 | 2019-20 | 2018-19 |
| Equity Paid up Capital | 12,06,72,120 | 12,06,72,120 | 12,06,72,120 |
| Reserves and surplus | (46,28,904,627) | (464,82,50,314) | (458,21,18,066) |
| Carry forward losses (Refer Note 1) | (535,73,12,938) | (537,66,58,625) | (531,05,26,377) |
| Net Worth | (450,88,81,587) | (452,82,27,274) | (446,20,95,026) |
| Miscellaneous Expenditure | - | - | - |
| Secured Loans | 292,26,80,290 | 296,29,49,087 | 298,62,18,724 |
| Unsecured Loans | 41,42,70,700 | 37,28,71,380 | 29,77,82,127 |
| Fixed Assets | 11,86,80,646 | 15,56,92,759 | 19,68,55,923 |
| Income from Operations | 60,96,64,373 | 62,48,65,864 | 73,53,64,858 |
| Total Income | 73,92,43,976 | 72,61,60,922 | 95,74,68,335 |
| Total Expenditure | 71,92,28,783 | 79,49,77,301 | 91,34,58,354 |
| Profit before Tax | 2,00,15,193 | (6,88,16,379) | 4,40,09,981 |
| Profit after Tax | 2,00,15,193 | (6,88,16,379) | 4,40,09,981 |
| Cash profit (Refer Note 2) | 3,68,17,127 | (4,80,76,281) | 5,76,44,445 |
| EPS | 1.66 | (5.70) | 3.65 |
| Book value per share (Refer Note 3) | (373.59) | (375.17) | (369.72) |

Note:

- 1) Debit Balance of Profit and Loss has been shown under carry forward losses
- 2) Cash Profit is calculated after adding back Depreciation and Amortization expense to Profit after Tax.
- 3) Book value per share is calculated by dividing total shareholders' fund by the total number of equity shares outstanding as at the year end.

Jayesh
Amritlal
Motasha

Digitally signed by
Jayesh Amritlal
Motasha
Date: 2022.01.25
20:21:22 +05'30'



INDEPENDENT AUDITORS' REVIEW REPORT ON THE STANDALONE UNAUDITED FINANCIAL RESULTS FOR QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021

The Board of Directors of
ROYAL CUSHION VINYL PRODUCTS LIMITED.

We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **ROYAL CUSHION VINYL PRODUCTS LIMITED.** ("the Company"), having registered office at 60 CD, Shlok Govt. Industrial Estate, Charkop, Kandivall (West), Mumbai- 400 067, for the Quarter ended September 30th, 2021 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulation") as amended, read with Circular No. CIR/CFD/CMD1/80/2019 dated July 19th, 2019 ("the Circular").

This Standalone Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Standalone Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.


Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Our report is not modified in respect of this matter.



We draw attention:

- i) As in the past, in current quarter/ year also the Company has not received bank statements/ bank advices/ bank certificates from the financial institutions/ banks. Bank entries pertaining to bank and financial institutions and transactions are not reconciled. In absence of non reconciliation & non availability of such details amount payable to financial institutions/ bank are not ascertained/ yet to be reconciled. Interest on loan from bank/ financial institutions is neither provided nor ascertained. (Refer note no 4 in statement of financial results)
- ii) Financial results, which describes the Management's assessment of the impact of COVID-19 pandemic and the resultant lockdowns on the significant uncertainties involved in developing some of the estimates involved in preparation of the financial statements including but not limited to its assessment of liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets and the net realisable values of other assets. Based on information available as of this date, Management believes that no further adjustments are required to the financial results. However, in view of the highly uncertain economic environment impacting the industry, a definitive assessment of the impact is highly dependent upon circumstances as they evolve in future and the actual results may differ from those estimated as at the date of approval of these financial statements. (Refer note No. 6 in statement of financial result)

For, BIPIN S. G.
 Chartered Accountant
 Firm No. 101509 W

 CA BIPIN SHAI (Partner)
 M. No. 12633
 Date: 10/11/2020
 UDIN: 201121233356000005325



| ROYAL CUSHION VINYL PRODUCTS LIMITED | | | | | | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| Regd. Office : 60 CD Shikar Ghat Ind Estate, Charkop, Kandhivli (West), Mumbai-400 067 CIN: L24110MH1983PLC031395 | | | | | | |
| STANDALONE OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER, 30 2021 | | | | | | |
| [Amount in lakh Rs.] | | | | | | |
| Particulars | Quarter ended | | | Half year ended | | Year ended |
| | 30.09.2021 (Unaudited) | 30.06.2021 (Unaudited) | 30.09.2020 (Unaudited) | 30.09.2021 (Unaudited) | 30.09.2020 (Unaudited) | 31.03.2021 (Audited) |
| I Revenue from operations | 2,189.71 | 1,068.69 | 1,689.62 | 3,333.34 | 2,034.60 | 6,096.64 |
| II Other incomes | 18.85 | 6.09 | 978.47 | 24.88 | 1,018.90 | 1,295.80 |
| III Total Income (I+II) | 2,208.56 | 1,074.78 | 2,668.09 | 3,358.22 | 3,053.50 | 7,392.44 |
| IV Expenses: | | | | | | |
| Cost of materials consumed | 1,969.01 | 892.53 | 1,271.19 | 2,851.54 | 1,654.51 | 5,185.84 |
| Changes in inventories of finished goods, stock in trade and work in progress | -19.90 | 34.01 | 117.42 | 14.11 | 14.09 | (114.95) |
| Employee benefits expense | 150.19 | 120.16 | 141.41 | 270.35 | 297.86 | 515.77 |
| Finance costs | 58.39 | 58.76 | 109.06 | 117.74 | 177.91 | 382.32 |
| Depreciation and amortisation expense | 38.33 | 38.17 | 57.80 | 77.50 | 106.17 | 168.02 |
| Other expenses | 349.74 | 194.26 | 365.69 | 544.00 | 481.13 | 1,085.29 |
| Total expenses (IV) | 2,540.55 | 1,334.88 | 2,068.57 | 3,875.23 | 2,671.67 | 7,191.29 |
| V Profit/(Loss) before exceptional items and tax (I-IV) | (251.79) | (260.10) | 604.52 | (517.01) | 381.92 | 200.15 |
| VI Profit/(Loss) before tax | (251.79) | (260.10) | 604.52 | (517.01) | 381.92 | 200.15 |
| VII Tax Expense: | | | | | | |
| VIII Loss for the period | (251.79) | (260.10) | 604.52 | (517.01) | 381.92 | 200.15 |
| IX Other Comprehensive Income: | | | | | | |
| A (i) Items that will not be reclassified to profit or loss | (1.67) | (1.67) | 6.71 | (9.35) | 13.42 | (6.70) |
| B (ii) Items that will be reclassified to profit or loss | - | - | - | - | - | - |
| X Total Comprehensive Income for the period (IX+VIII) | (253.46) | (261.77) | 611.23 | (526.36) | 395.34 | 193.45 |
| XI Earnings per equity share (for continuing operations): | | | | | | |
| (1) Basic | (2.09) | (2.20) | 5.01 | (4.28) | 3.16 | 1.68 |
| (2) Diluted | (2.09) | (2.20) | 5.01 | (4.28) | 3.16 | 1.68 |
| XII Paid up Equity share Capital (Face value of Rs. 10/- each) | 1,206.72 | 1,206.72 | 1,206.72 | 1,206.72 | 1,206.72 | 1,206.72 |

Notes:-

- The above audited financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meeting held on 14th November, 2021.
- The Statutory Auditor of the company have carried out a Limited Review of the Unaudited Financial Results for the quarter ended September 30, 2021 as required under Regulation 33 of SEBI (Listing Obligations & Disclosures Requirement) Regulations, 2015.
- The above result have been prepared in accordance with the Companies Indian Accounting Standard Rules, 2015 (Ind AS) and accordingly this financial results have been prepared in accordance with recognition and measurement principles laid down in Ind AS-34 Interim Financial Reporting prescribed under Section -133 of Companies Act 2013 read with relevant rules issued thereunder.
- Due to non-receipt of the Bank statements/Bank advices/Balance certificates from the financial institutions/banks, book entries pertaining to banks and financial institutions, transactions could not be reconciled, further in absence of such details and information, the amount payable also could not be estimated or ascertained. Thus, bank balances and balances of such financial institutions as on 30.09.2021 are subject to adjustments if any, to be carried out on receipt of the relevant statements / Bank Advices / Certificates from banks/ financial institutions. Many Banks / financial institutions had not charged interest in earlier year and current year also. The company has also not provided interest on loan from these financial institutions/banks, had the company provided interest as per practice followed in earlier years loss for the quarter would have been higher by Rs. 324.22 lacs.
- Under the Duty Exemption Scheme of Advance License (as well as similar other license scheme) pursuant to Import & Export Policy of Government of India, duty free imports of raw materials are permitted and they are required to be used in manufacturing of goods for export, as well as, export of goods has to be effected within the time allowed, in terms of the scheme. The Company has availed of such licenses from time to time. In the past, it had fulfilled its export obligations. The Company had imported duty free raw material under certain licenses, however it could not effect export within the time allowed due to circumstances beyond the control of the Company. The Company has evaluated its obligations under the scheme and it has been advised that in view of non fulfillment of export obligations, the authorities can recover the import duty and mandatory interest thereon. From 01.04.2014 the Company has stopped providing interest on custom duty liability. Had the company provided interest as per practice followed in earlier years loss for the quarter would have been higher by Rs. 88.66 lacs.
- The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these interim financial statements including the recoverability of carrying amounts of financial and non-financial assets.
- The company has one business segment (i.e. PVC Flooring/Leathercloth)
- Figures of previous periods have been regrouped/reclassified/rearranged wherever considered necessary.

Place: - Mumbai
Date - 14/11/2021

For ROYAL CUSHION VINYL PRODUCTS LTD.
[Signature]
Regional Director
60454214



| ROYAL CUSHION VINYL PRODUCTS LIMITED | | |
|---|---------------------------------|-------------------------------|
| Regd. Office : 60 CD.Shlok Govt. Ind. Estate, Charkop, Kandivall (West), Mumbai-400 067. CIN: L24110MH1983PLC031395 | | |
| UNAUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES | | |
| (Amount in lakh Rs.) | | |
| Particulars | As at 30.09.2021 (Unaudited) | As at 31.03.2021 (Audited) |
| ASSETS | | |
| (1) Non-current Assets: | | |
| (a) Property Plant and Equipment | 1,096.06 | 1,186.81 |
| (b) Capital Work-In-Progress | 52.62 | 52.62 |
| (c) Investment Property | 23.23 | 25.09 |
| (d) Right to Use Assets | 77.52 | 96.30 |
| (e) Financial Assets | | |
| (i) Investments | 17.73 | 17.73 |
| (ii) Other Financial Assets | 95.51 | 95.30 |
| Total Non-Current assets | 1,362.68 | 1,473.86 |
| (2) Current Assets: | | |
| (a) Inventories | 1,071.35 | 1,161.10 |
| (b) Financial Assets | | |
| (i) Trade Receivables | 313.02 | 272.77 |
| (ii) Cash and Cash Equivalents | 68.08 | 64.97 |
| (iii) Bank Balance other than Cash and Cash Equivalents | 20.04 | 20.04 |
| (iv) Loans | 7.28 | 9.29 |
| (c) Other Current Assets | 578.57 | 522.15 |
| (d) Current Tax Assets | 24.55 | 29.89 |
| Total Current Assets | 2,082.89 | 2,080.21 |
| TOTAL ASSETS | 3,445.57 | 3,554.07 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| (a) Equity Share Capital | 1,206.72 | 1,206.72 |
| (b) Other Equity | (46,809.40) | (46,289.05) |
| TOTAL EQUITY | (45,602.68) | (45,082.33) |
| Liabilities | | |
| (1) Non-current Liabilities | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | 33,724.89 | 33,369.51 |
| (b) Provisions | 5,882.28 | 5,871.74 |
| Total Non-current liabilities | 39,607.17 | 39,241.25 |
| (2) Current Liabilities: | | |
| (a) Financial Liabilities | | |
| (i) Trade Payables | | |
| - Due to Micro, Small and Medium Enterprises | 724.93 | 693.07 |
| - Others | 8,053.98 | 7,847.60 |
| (b) Other current liabilities | 653.59 | 845.90 |
| (c) Provisions | 8.58 | 8.58 |
| Total Current liabilities | 9,441.07 | 9,395.14 |
| TOTAL LIABILITIES | 49,048.25 | 48,636.40 |
| TOTAL EQUITY AND LIABILITIES | 3,445.57 | 3,554.07 |

Place: - Mumbai
Date - 14/11/2021

For ROYAL CUSHION VINYL PRODUCTS LTD

Jayesh Metakha
Director
00054236



| ROYAL CUSHION VINYL PRODUCTS LIMITED | | |
|--|---|---|
| Regd. Office: 60 CD-Shik Govt. Ind. Estate, Charkop, Kandivali (West), Mumbai-400 067. CIN: L24110MH1983PLC031995. | | |
| UNAUDITED CASHFLOW STATEMENT | | |
| Particulars: | Period ended 30.09.2021 (Unaudited) | Period ended 30.09.2020 (Unaudited) |
| A) CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net Profit/(Loss) before Tax | (520.36) | 396.34 |
| Adjustment for: | | |
| Depreciation | 77.50 | 106.17 |
| Finance Cost | 117.74 | 177.91 |
| Remeasurements of the defined benefit plans A/c | 3.35 | (13.42) |
| Interest Received | (1) | - |
| (-) Profit/Loss on Sale of fixed assets | (24) | (845.15) |
| Lease Rent received | 0.00 | (9.50) |
| Share of (Profit) loss from Partnership firm | | |
| Unclaimed Liabilities / Balance Written Back | 0.00 | 173.71 |
| Operating profit before working capital changes | (346.64) | (188.65) |
| Adjustment for: | | |
| A-1 (Increase)/Decrease in Inventories | 89.75 | 2.73 |
| (Increase)/Decrease in trade & other receivables | -40.25 | (72.64) |
| (Increase)/Decrease in loans & advances | (49.28) | (114.87) |
| Increase/(Decrease) in trade payables | 238.25 | (239.15) |
| Increase/(Decrease) unclaimed Liabilities / Balance W/Back | - | - |
| Increase/(Decrease) in other current liabilities | (192.31) | 94.14 |
| Increase/(Decrease) in provisions | 10.54 | (22.12) |
| Net Cash from operating activities: | (289.95) | (540.56) |
| B) CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of fixed assets | (0.71) | -1.15 |
| Sale of fixed assets | 58.23 | 1,018.79 |
| Sale/Revaluation of investments | - | 2.50 |
| Remeasurements of the defined benefit plans A/c | (3.35) | 13.42 |
| Interest Received | 1.24 | - |
| Lease Rent received | - | 9.50 |
| Share of loss from Partnership firm | | |
| Net Cash Used for Investing Activities: | 55.42 | 1,043.06 |
| C) CASH FLOW FROM FINANCING ACTIVITIES | | |
| Borrowing | 355.38 | (310.46) |
| Lease rental paid | - | (20.58) |
| Interest paid | (117.74) | (157.33) |
| Net Cash Used from Financing Activities: | 237.64 | (498.37) |
| Net Increase in cash and cash collection (A+B+C) | 3.10 | 14.13 |
| Cash & Cash Equivalents at the beginning of the year | 85.01 | 61.51 |
| Cash & Cash Equivalents at the end of the year | 88.12 | 75.64 |

| Cash and Cash Equivalents shall comprise of:- | | |
|--|--------------|--------------|
| Particulars | Amount in ₹ | Amount in ₹ |
| a. Balances with banks | 66.84 | 50.87 |
| b. Cash on hand | 1.24 | 1.94 |
| c. Fixed Deposit with banks (Other Bank Balances other than Cash and Cash Equivalents) | 20.04 | 23.34 |
| Total | 88.12 | 75.65 |

Place:- Mumbai
Date:- 14/11/2021

For ROYAL CUSHION VINYL PRODUCTS LTD.

Jayesh Motani
Director
98834236



Royal Cushion Vinyl Products Limited

Annual Accounts for the Financial year
31/03/2021

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ROYAL CUSHION VINYL PRODUCTS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

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

3. Basis of Opinion

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

Emphasis of Matter

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

Key Audit Matters

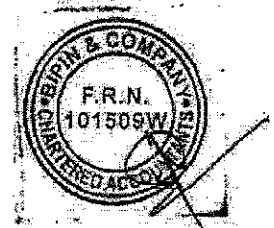
5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our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

CA Bipin Shah ☎ 94264 86830 | CA Tejas Purohit ☎ 98257 68699 | CA Dhrit Shah ☎ 94273 41134 | CA Amit Shah ☎ 9426313900
CA Pradeep Agrawal ☎ 98985 60967 | CA Suresh Sisodia ☎ 9825156037.

📍 302/412, Centre Point, R.C. Dutt Road, Akapuri, Vadodara - 390 007 ☎ 0265-2338665 / 2323577

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(NETWORK & ASSOCIATE OFFICES ACROSS INDIA)



We have determined the matters described below to be the key audit matters to be communicated in our report.

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

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

Principal Audit Procedures

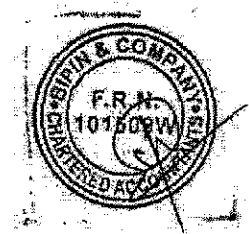
- Our audit consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:
- We evaluated the design of internal controls relating to revenue recognition.
- We selected sample of Sales transactions and tested the operating effectiveness of the internal control relating to revenue recognition.
- We carried out a combination of procedures involving enquiry and observation, re performance and inspection.
- We have tested sample of Sale transactions to their respective customer contracts, underlying invoices and related documents.
- We have performed cut-off procedures for sample of revenue transactions at year-end in order to conclude on whether they were recognized in accordance with Ind-AS 115.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

8. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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



143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion.
 - If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.
 - Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements
 - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



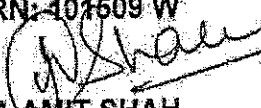
Report on Other Legal and Regulatory Requirements

16. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
17. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
- (A) As required by section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The standalone financial statements dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.
 - e) On the basis of written representations received from the directors as on 31 March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in the standalone financial statements;



- ii. the Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31st 2021;

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


CA AMIT SHAH
PARTNER
M. No.: 126337
PLACE: VADODARA
DATE: 30/06/2021
UIDN: 21126337AAAAEF3514



ANNEXURE "A" TO THE AUDITORS' REPORT

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

Annexure A

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) The Company has a regular program of physical verification of its property, plant and equipment under which property, plant and equipment are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the yearend, written confirmations have been obtained by the management. No material discrepancies were noticed on the aforesaid verification.
- (iii) As per information and explanation given to us, the company has not granted loans to parties covered in the register maintained under section 189 of the Companies Act hence clause (iii) (a) to (c) are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made detailed examination of the cost records with a view to determine whether they are accurate or complete.



(vii) In respect of Statutory dues:

a) According to the records of the Company, the Company is generally not regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Valued Added Tax and Cess and other statutory dues with the appropriate authorities.

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

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

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

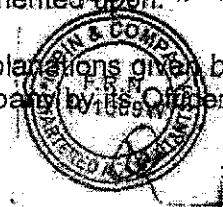
| Sr. No. | Nature of the Status | Nature of the due | Amount | Period to which the amount relate | Forum where dispute is Pending |
|---------|------------------------|-------------------|-------------|-----------------------------------|------------------------------------|
| 1. | The Central Excise Act | Custom Duty | 30,34,670 | Various year | Commissioner Vadodara |
| 2. | The FERA Act | Penalty | 1,00,00,000 | 2002-03 | Appellate Authority FERA New Delhi |
| 3 | The Income Tax Act | Penalty | 46,62,473 | Various years | Various Authorities |
| 4 | The Central Excise Act | Excise Duty | 12,97,378 | Various Year | Commissioner Vadodara |

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

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

(ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

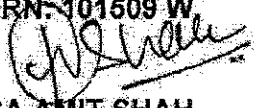
(x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its Officers or employees has been noticed or reported during the year.



- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) Based upon the audit procedures performed and the information and explanations given by the management, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) According to the information and explanations given by the management and based on our examinations of the records of the Company, during the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, provisions of clause 3(xiv) of the Order are not applicable.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon
- (xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order is not applicable to the Company and hence not commented upon.

For, BIPIN & CO.
CHARTERED ACCOUNTANTS

FRN-101509 W


CA AMIT SHAH
PARTNER
M. No.: 126337
PLACE: VADODARA
DATE: 30/06/2021
UIDN: 21126337AAAAEF3514



Annexure "B" to the Auditors' Report

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

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

Opinion

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

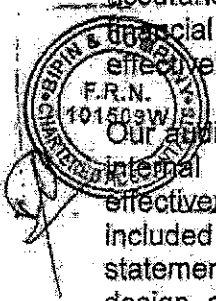
Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The



procedures selected depend on the Auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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


Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

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


CA AMIT SHAH
PARTNER
M. No.: 126337
PLACE: VADODARA
DATE: 30/06/2021
UIDN: 21126337AAAAEF3514



**Independent Auditor's Certificate on Corporate Governance****To the Members of Royal Cushion Vinyl Products Limited**

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

Management's Responsibility

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

Auditor's Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

Opinion

5. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us and representation made by director and the management and considering the relaxation granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of Covid 19 pandemic, we certify that the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2021. We further state that such compliance

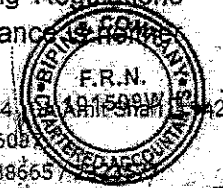
CA Bipin Shah ☎ 94264 86830 | CA Tejas Purohit ☎ 98257 68699 | CA Dharit Shah ☎ 94273 41134 | CA Anil Shah ☎ 9426313900

CA Pradeep Agrawal ☎ 98985 60967 | CA Suresh Sisodia ☎ 982515608

📍 302/412, Centre Point, R.C. Dutt Road, Alkapuri, Vadodara - 390 007 ☎ 0265-2338655

✉ bipin.co@gmail.com, bipin.smdt@gmail.com 🌐 www.cabipinco.com

(NETWORK & ASSOCIATE OFFICES ACROSS INDIA)



an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

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

For Bipin & Co

Chartered Accountants
Firm Registration No. 101509W



A handwritten signature in black ink, appearing to read "Amit D. Shah".

CA Amit D. Shah (Partner)
Membership No.: 126337
Vadodara
2 September 2021
UDIN: 21126337AAAAFP3831

ROYAL CUSHION VINYL PRODUCTS LIMITED
Balance Sheet as at 31st March, 2021

(Amount in ₹)

| Particulars | Notes | As at | |
|--|---------|-------------------------|-------------------------|
| | | 31st March, 2021 | 31st Mar, 2020 |
| ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Property Plant and Equipment | 3 | 11,86,80,646 | 15,56,92,759 |
| (b) Right of use assets | 3 | 96,30,438 | 1,29,19,435 |
| (c) Capital Work-in-Progress | 3 | 52,62,335 | 52,02,336 |
| (d) Investment Property | 3 | 25,08,835 | 26,94,629 |
| (e) Financial assets | | | |
| (i) Investments | 4 | 17,73,176 | 20,24,557 |
| (ii) Other Financial Assets | 5 | 95,30,379 | 99,18,379 |
| Total Non Current assets | | 14,73,85,809 | 18,84,52,095 |
| (2) Current Assets | | | |
| (a) Inventories | 6 | 11,61,10,171 | 9,51,70,740 |
| (b) Financial Assets: | | | |
| (i) Trade Receivables | 7 | 2,72,76,682 | 1,55,45,413 |
| (ii) Cash and Cash Equivalents | 8 | 64,97,319 | 38,17,047 |
| (iii) Bank Balances other than Cash and Cash Equivalents | 9 | 20,03,967 | 23,33,916 |
| (iv) Loans | 10 | 9,28,605 | 2,49,100 |
| (c) Other Current Assets | 11 | 5,22,15,188 | 2,98,68,598 |
| (d) Current Tax Assets | | 29,89,273 | 40,90,537 |
| Total current assets | | 20,80,21,205 | 15,10,75,350 |
| TOTAL ASSETS | | 35,54,07,015 | 33,95,27,445 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share Capital | 12 | 12,06,72,120 | 12,06,72,120 |
| (b) Other Equity | 13 | (4,62,89,04,627) | (4,64,82,50,314) |
| TOTAL EQUITY | | (4,60,82,32,507) | (4,62,75,78,194) |
| Liabilities | | | |
| (1) Non-current Liabilities | | | |
| (a) Financial liabilities: | | | |
| (i) Borrowings: | 14 | 3,33,69,50,990 | 3,33,58,20,467 |
| (b) Provisions | 15 | 58,71,74,214 | 58,52,68,701 |
| Total Non-current Liabilities | | 3,92,41,25,204 | 3,92,10,89,168 |
| (2) Current Liabilities: | | | |
| (a) Financial Liabilities: | | | |
| (i) Trade Payables | 16 | | |
| - Due to Micro and Small Enterprises | | 8,93,06,659 | 85,76,805 |
| - Others | | 78,47,59,628 | 83,64,54,703 |
| (b) Other current liabilities | 17 | 8,45,90,397 | 9,85,40,057 |
| (c) Provisions | 18 | 8,57,634 | 24,44,908 |
| Total current liabilities | | 93,95,14,318 | 94,60,16,471 |
| Total liabilities | | 4,86,36,39,522 | 4,86,71,05,639 |
| TOTAL EQUITY AND LIABILITIES | | 35,54,07,015 | 33,95,27,445 |
| See accompanying Notes to the Financial Statements | 1 to 47 | | |
| <p>As per our report of even date For BIPIN & CO. Chartered Accountants Firm Reg. No. 101509W</p> <p>AMIT SHAH (Partner) Membership No. 129137 UDIN:21120337AAAAEF3514</p> <p>Place : VADODARA Date : 30-06-2021</p> | | | |
| <p>For ROYAL CUSHION VINYL PRODUCTS LIMITED</p> <p>MAHESH K. SHAH Chairman & Managing Director 00054351</p> <p>JAYESH A. MOTASHA Director 00054238</p> <p>DEEPTI PAREKH Company Secretary ACS60978</p> <p>Place : MUMBAI Date : 30-06-2021</p> | | | |

ROYAL CUSHION VINYL PRODUCTS LIMITED
Statement of Profit and Loss for the year ended 31st March, 2021

(Amount in ₹)

| Particulars | Note No | for the year ended 31st March, 2021 | for the year ended 31st Mar, 2020 |
|---|---------|--|--------------------------------------|
| Revenue from Operations | 19 | 60,96,64,373 | 62,48,65,864 |
| Other Incomes | 20 | 12,95,79,603 | 10,12,95,058 |
| Total Income | | 73,92,43,976 | 72,61,60,922 |
| Expenses | | | |
| Cost of Materials Consumed | 21 | 51,85,83,848 | 47,93,69,196 |
| Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress | 22 | (1,14,94,961) | 2,90,29,990 |
| Employee Benefits Expense | 23 | 5,15,76,980 | 6,25,96,986 |
| Finance Costs | 24 | 3,52,32,307 | 3,84,66,003 |
| Depreciation and Amortization Expense | 1 | 1,68,01,934 | 1,92,16,142 |
| Other Expenses | 25 | 10,85,28,675 | 16,62,98,994 |
| Total Expenses | | 71,92,28,783 | 79,49,77,301 |
| Profit/Loss before exceptional items and tax | | 2,00,15,193 | (6,88,16,379) |
| Exceptional Items | | - | - |
| Profit/(Loss) before tax | | 2,00,15,193 | (6,88,16,379) |
| Tax Expense: | | | |
| (1) Current Tax | | - | - |
| (2) Deferred tax | | - | - |
| Profit/(Loss) for the period after Tax | | 2,00,15,193 | (6,88,16,379) |
| Other Comprehensive Income | | | |
| A Items that will not be reclassified to profit or loss | | | |
| (i) Remeasurement of defined benefit plans | | (6,69,506) | 26,84,131 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| Total other comprehensive income | | (6,69,506) | 26,84,131 |
| Total Comprehensive Income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period) | | 1,93,45,687 | (6,61,32,248) |
| Earnings per equity share (for continuing operations): | | | |
| (1) Basic | | 1.66 | (5.70) |
| (2) Diluted | | 1.66 | (5.70) |
| See accompanying Notes to the Financial Statements | 1 to 47 | | |

As per our report of even date
For BIPIN & CO.
Chartered Accountants
Firm Reg. No. 101509W
Amik Shah
(Partner)
Membership No. 126337
UDIN:21126337AAAAEF3514



For ROYAL CUSHION VINYL PRODUCTS LTD.

Mahesh K. Shah
MAHESH K. SHAH
Chairman & Managing Director
00054351

Jayesh A. Motasha
JAYESH A. MOTASHA
Director
00054236

Deepti Parekh
DEEPTI PAREKH
Company Secretary
ACS60978

Place : VADODARA
Date : 30-06-2021

Place : MUMBAI
Date : 30-06-2021

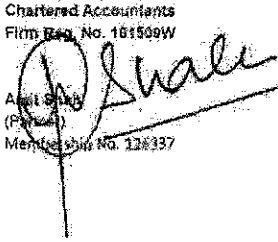


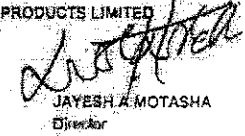

Annual Report 2020-2021

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

| (a) Equity share capital | | (Amount in ₹) | |
|--------------------------|--|---|--|
| | Balance at the beginning of the reporting period | Changes in the equity share capital during the year | Balance at the end of the reporting period |
| Number of Shares | 12,067,212 | | 12,067,212 |
| Value of Shares | 120,672,120 | | 120,672,120 |

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

* Represents remeasurements of defined benefit plan

| CASH FLOW STATEMENT | | (Amount in ₹) | |
|--|---------------------------------------|---|----------------|
| Particulars | Year ended 31.03.2021 (Audited) | Year ended 31.03.2020 (Audited) | |
| A) CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Net Profit/(Loss) before Tax | 1,93,45,687 | | (6,61,32,248) |
| Adjustment for: | | | |
| Depreciation | 1,68,01,934 | | 1,92,16,142 |
| Finance Cost | 3,52,32,307 | | 3,84,66,003 |
| Remeasurements of the defined benefit plans A/c | 6,69,506 | | (26,84,131) |
| Interest Received | (6,76,240) | | (7,03,749) |
| (-) Profit/Loss on Sale of fixed assets | (8,96,37,919) | | 1,98,41,522 |
| Lease Rent received | (19,15,317) | | (38,00,560) |
| Share of (Profit)/loss from Partnership firm | 0 | | (4,279) |
| Unclaimed Liabilities / Balance Written Back | (37,93,739) | (4,33,19,468) | (90,16,778) |
| Operating profit before working capital changes | | (2,39,73,781) | 6,13,14,070 |
| Adjustment for: | | | (48,18,178) |
| A-1 (Increase)/Decrease in inventories | (2,09,39,431) | | 3,04,05,133 |
| (Increase)/Decrease in trade & other receivables | (1,17,31,269) | | 78,76,981 |
| (Increase)/Decrease in loans & advances | (2,15,76,832) | | (2,49,44,690) |
| Increase/(Decrease) in trade payables | 90,34,780 | | (10,71,84,361) |
| Increase/(Decrease) unclaimed liabilities / Balance W/Back | 37,93,739 | | 90,16,778 |
| Increase/(Decrease) in other current liabilities | (1,39,49,660) | | 7,27,17,685 |
| Increase/(Decrease) in provisions | 3,78,241 | (5,50,30,432) | (32,24,021) |
| Net Cash from operating activities | | (7,89,84,213) | (2,02,04,672) |
| B) CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Purchase of fixed assets | (34,50,613) | | (17,44,507) |
| Sale of fixed assets | 11,67,13,492 | | 81,95,422 |
| Sale/Revaluation of investments | 2,51,381 | | (4,279) |
| Remeasurements of the defined benefit plans A/c | (6,69,506) | | 26,84,131 |
| Interest Received | 6,76,240 | | 7,03,749 |
| Lease Rent received | 19,15,317 | | 38,00,560 |
| Share of loss from Partnership firm | - | | 4,279 |
| Net Cash Used for Investing Activities | | 11,54,36,321 | 1,36,39,456 |
| C) CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Borrowing | 11,30,523 | | 5,18,19,616 |
| Lease rental paid | (46,78,133) | | (62,42,302) |
| Interest paid | (3,06,04,174) | | (3,69,10,500) |
| Net Cash Used from Financing Activities | | (3,41,01,784) | 86,66,814 |
| Net Increase in cash and cash collection (A+B+C) | | 29,50,324 | 21,01,598 |
| Cash & Cash Equivalents at the beginning of the year | | 61,50,962 | 40,49,364 |
| Cash & Cash Equivalents at the end of the year | | 85,01,286 | 61,50,962 |
| Cash and Cash Equivalents shall comprise of:- | | | |
| Particulars | Amount in ₹ | | Amount in ₹ |
| a. Balances with banks | 84,48,238 | | 36,73,165 |
| b. Cash on hand | 49,054 | | 1,43,682 |
| c. Fixed Deposit with banks (Other Bank Balances other than Cash and Cash Equivalents) | 20,03,967 | | 23,33,916 |
| Total | 85,01,286 | | 61,50,963 |
| As per our report of even date | | | |
| For BIPIN & CO. Chartered Accountants Firm Reg. No. 101509W | | For ROYAL CUSHION VINYL PRODUCTS LIMITED | |
|  | |  | |
| Amit Shah (Partner) Membership No. 128337 | | MAHESH K SHAH Chairman & Managing Director 00054351 | |
|  | |  | |
| | | JAYESH A. MOTASHA Director 00054236 | |
| | |  | |
| | | DEEPTI PAREKH Company Secretary ACS00978 | |
| Place : VAODDARA Date : 30-06-2021 | | Place : MUMBAI Date : 30-06-2021 | |

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

1. CORPORATE INFORMATION:

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

2. SIGNIFICANT ACCOUNTING POLICIES TO FINANCIAL STATEMENTS:

2.1 Basis for preparation of financial accounting

(i) Statement of Compliance

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

(ii) Historical cost conversion

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

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

(iii) Current and Non-Current classification

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

2.2 Use of estimates and assumptions

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

a) Property, plant and equipment

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

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

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

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

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

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

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

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

d) Impairment of non-financial assets

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

e) Revenue Recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

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

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

Contract balances

Contract assets

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

Trade receivables

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

Contract liabilities

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

Dividend

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

Interest Income

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

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

g) Foreign Currency Transactions

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

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

h) Taxation

Current Income Taxes:

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

Deferred Tax

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

MAT Credit:

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

i) Employee Benefits

Short term employee benefits:

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

Post-Employment benefits:

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

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

- o) **Investments in the nature of equity in subsidiaries, joint venture and associates**
The Company has elected to recognise its investments in equity instruments in subsidiaries, joint venture and associates at cost in the separate financial statements in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.
- p) **Financial Instruments**
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement-

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

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

Subsequent measurement-

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

- i. Financial assets measured at amortized cost
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit or loss (FVTPL)

i. *A financial asset that meets the following two conditions is measured at amortized cost.*

- **Business Model test:** The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- **Cash flow characteristics test:** Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

ii. *A financial asset that meets the following two conditions is measured at fair value through OCI:-*

- **Business Model test:** The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- **Cash flow characteristics test:** The contractual terms of the instrument give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

iii. All other financial assets are measured at fair value through profit and loss.

Equity instruments

All equity instruments in scope of Ind AS 109 - [•] are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, including foreign exchange gain or loss and excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

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

Derogation-

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

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

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

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

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

r) Segment Reporting

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

s) Recent pronouncements

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

(i) Balance Sheet:

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

(ii) Statement of profit and loss:

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

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

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

| Particulars | Units | | (Amount in ₹) | |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | As at 31 st March, 2021 | As at 31 st March, 2020 | As at 31 st March, 2021 | As at 31 st March, 2020 |
| 04. INVESTMENT-NON-CURRENT | | | | |
| Long Term Investment (at cost) | | | | |
| A Investment in Shares: | | | | |
| (i) Unquoted: (Non Trade) In Equity: | | | | |
| Investment in Shares of Subsidiary Company: | | | | |
| 4,50,700 Shares (PY.4,50,700) in Euro Royal Floor Limited (U.K.) of 370 pound 1 (poe) each fully paid up. Less: Provision for diminution in value of investment | 450,700 | 25,931,404 | 450,700 | 25,931,404 |
| 20,000 (PY.20,000) equity shares in AB Corp Ltd of 10/- each fully paid up. Less: Provision for Diminution in value of investment | 30,000 | 2,475,000 | 30,000 | 2,475,000 |
| 5,010 (PY.5,010) shares in Swaminarayana Co-op Bank Ltd. of 25/- each fully paid up. | 5,010 | - | 5,010 | 125,250 |
| 12,500 (PY.12,500) shares in Baroda Peoples Co-op Bank Ltd of 10/- each fully paid up. | 12,500 | - | 12,500 | 125,000 |
| 7,500 (PY.7,500) shares in Baroda City Co-op Bank Ltd. of 10/- each fully paid up. | 7,500 | 75,000 | 7,500 | 75,000 |
| 1,416 (PY.1,416) shares in Saraswat Co-op Bank Ltd. of 10/- each fully paid up. (Converted into 415 shares of Saraswat Co-op bank Ltd. Against 1063 shares of Mangal Co-op Bank Ltd.) | 1,416 | 20,830 | 1,416 | 20,830 |
| B Government Securities: | | | | |
| National Saving Certificates (Pledged with Government Authorities) | | 2,000 | | 2,000 |
| C Investment by way of capital in a partnership firm | | | | |
| Creative Investment | | 1,675,346 | | 1,675,477 |
| Total | | 1,773,176 | | 2,024,557 |
| Aggregate amount of unquoted investments: | | | | |
| | | 28,502,234 | | 28,752,484 |
| Aggregate Provision for the diminution in Value of investments | | | | |
| | | 28,406,404 | | 28,406,404 |

4.1) The Company has made an investment of ₹.25,931,404 (£ 450,200) in Euroroyal Floors Ltd. ("ERF") wholly owned subsidiary in U.K. The subsidiary also owes ₹ 233,375,543 (Net of commission payable ₹ 10,619,234) towards supply of goods made to it. The principal customers of ERF in Russia did not honor the debts, Due to this ERF in turn, could not pay its creditors. The Company has been informed by the ex-local Directors of ERF that one of the creditors had filed a suit for winding-up of ERF pursuant to which the High Court of Justice of U.K. made a winding-up order dated 11th June, 2001 against ERF and the official receiver has been appointed to liquidate the assets of ERF. Thereafter order dated 12/03/2002 was passed and ERF is dissolved Under the circumstances, the Management had provided for diminution in value of investment made in ERF in the year 2000-01. As also, provision against the debt of ₹ 233,375,543 due from ERF had been made during the earlier year.

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

12. SHARE CAPITAL

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

12.1) Rights of Equity Shareholders

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

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

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

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

| Particular | As at March 31, 2021 | | As at March 31, 2020 | |
|---|----------------------|--------------|----------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| 1 Bhakti Vatsala Trading & Consultancy Services LLP | 10,35,210 | 8.58 | 10,35,210 | 8.58 |
| 2 Sahyog Trading & Consultancy Services LLP | 7,09,340 | 5.88 | 7,09,340 | 5.88 |
| 3 Shree Gaha Trading & Consultancy Services LLP | 7,09,300 | 5.88 | 7,09,300 | 5.88 |
| 4 Sugandh Trading & Consultancy Services LLP | 7,09,310 | 5.88 | 7,09,310 | 5.88 |
| 5 Tripathi Trading & Consultancy Services LLP | 10,35,210 | 8.58 | 10,35,210 | 8.58 |
| 6 Lapzsa (Mauritius) Limited | 28,80,000 | 23.87 | 28,80,000 | 23.87 |

13. OTHER EQUITY

| Particulars | As at | | As at | |
|---|------------------|----------------|------------------|----------------|
| | 31st March, 2021 | | 31st March, 2020 | |
| a. CAPITAL RESERVE | | | | |
| Opening Balance | 649,080 | | 649,080 | |
| Addition | - | | - | |
| Deduction | - | | - | |
| Closing Balance | | 649,080 | | 649,080 |
| b. SECURITIES PREMIUM RESERVE | | | | |
| Opening Balance | 723,225,231 | | 723,225,231 | |
| Addition | - | | - | |
| Deduction | - | | - | |
| Closing Balance | | 723,225,231 | | 723,225,231 |
| c. INVESTMENT ALLOWANCE RESERVE | | | | |
| Opening Balance | 4,534,000 | | 4,534,000 | |
| Addition | - | | - | |
| Deduction | - | | - | |
| Closing Balance | | 4,534,000 | | 4,534,000 |
| d. SURPLUS/DEFICIT IN THE STATEMENT OF | | | | |
| Opening Balance | -5,376,658,625 | | -5,310,526,377 | |
| Reassessment of defined benefits plans | -669,506 | | 2,894,131 | |
| Add: profit/(loss) of the year | 23,015,193 | | -68,816,379 | |
| Closing Balance | | -5,357,312,938 | | -5,376,658,625 |
| Total | | -4,628,904,627 | | -4,648,250,314 |

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

| 15. PROVISION -NON -CURRENT | | |
|---|------------------------------|------------------------------|
| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
| Provision for Employee Benefits | | |
| Provision for Gratuity | 16,251,581 | 14,673,822 |
| Provision for Leave Benefits | 2,527,854 | 2,200,100 |
| Provision for Customs duty including interest | 568,394,779 | 568,394,779 |
| Total | 587,174,214 | 585,269,701 |

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

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

16. TRADE PAYABLES

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

17. OTHER CURRENT LIABILITIES

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

18. PROVISIONS - CURRENT

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

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

22. CHANGES IN INVENTORIES OF FINISHED GOODS

| | | |
|---------------------|--------------|------------|
| Work-In-Progress | | |
| Opening Stock | | |
| Finished Goods | 21,201,188 | 55,367,504 |
| Work-In-process | 45,744,496 | 40,608,160 |
| | 66,945,684 | 95,975,664 |
| Less: Closing Stock | | |
| Finished Goods | 38,060,457 | 21,201,188 |
| Work-In-process | 40,380,188 | 45,744,496 |
| | 78,440,645 | 66,945,684 |
| Total | (11,494,961) | 29,029,980 |

22.1) DETAILS OF INVENTORY OF FINISHED GOODS

| | Amount | Amount |
|--------------------|------------|------------|
| PVC Floor Covering | 38,060,457 | 21,201,188 |
| Total | 38,060,457 | 21,201,188 |

23. EMPLOYEES BENEFITS EXPENSE

| | | |
|--|------------|------------|
| Salaries | 46,315,213 | 55,102,049 |
| Contribution to Provident Fund and Other Funds | 2,727,526 | 3,683,759 |
| Gratuity | 1,963,482 | 2,142,625 |
| Staff Welfare | 570,759 | 1,668,553 |
| Total | 51,576,980 | 62,598,986 |

24. FINANCE COSTS

| | | |
|----------------------------------|------------|------------|
| Interest on long term borrowings | 33,715,959 | 32,886,019 |
| Interest on Lease Liabilities | 1,251,141 | 1,555,502 |
| Bank Charges | 265,207 | 4,024,482 |
| Total | 35,232,307 | 38,466,003 |

25. OTHER EXPENSES

| | | |
|---|-------------|-------------|
| Consumption of stores and spares | 7,646,330 | 7,687,338 |
| Consumption of packing material | 18,739,333 | 21,632,842 |
| Power and fuel | 46,471,997 | 77,694,790 |
| Lease Rent | 219,340 | 285,570 |
| Rates and taxes | 2,107,702 | 1,437,345 |
| Insurance | 1,478,200 | 1,964,175 |
| Electricity Charges | 818,395 | 1,189,127 |
| Repairs and maintenance | | |
| - Plant and machinery | 5,571,000 | 3,248,012 |
| - Buildings | 153,313 | 24,199 |
| - Others | 98,608 | 56,778 |
| Design & Development | 467,005 | 788,005 |
| Machine Operating Charges | 4,865,733 | 3,424,702 |
| Services and maintenance | 2,816,543 | 7,163,006 |
| Advertising and sales promotion | 125,969 | 366,827 |
| Travelling and conveyance | 207,602 | 612,316 |
| Telephone Expense | 339,856 | 436,280 |
| Vehicle Expense | 2,594,640 | 2,969,388 |
| Legal and professional fees | 5,009,127 | 6,430,432 |
| Payment to auditor | | |
| - Audit fees | 227,400 | 227,400 |
| - Tax Audit fees | 30,000 | 33,000 |
| - Certification Work | 7,500 | 20,000 |
| Share of loss from Partnership firm | 1,131 | - |
| Loss on sale of Fixed assets/Assets Written off | - | 19,841,522 |
| Freight and forwarding charges Outward | 319,486 | 1,930,112 |
| Miscellaneous expenses | 8,218,454 | 6,142,262 |
| Bad debts w/off | - | 704,565 |
| Total | 108,528,675 | 166,298,994 |

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

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

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

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

Note 27 - Financial Risk Management

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

A) Credit Risk

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

a) Cash and Cash Equivalents

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Board. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

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

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

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

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

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

| | | Annexure 'A' GRATUITY | |
|----------------------------------|---|-----------------------|--------------|
| Accounting Disclosures Statement | | | |
| Period of accounting | | 31.03.2021 | 31.03.2020 |
| VIII | Fair Value of Plan Assets | | |
| | Opening Fair Value of Plan Asset | - | - |
| | Adjustment to Opening Fair Value of Plan Asset | - | - |
| | Return on Plan Assets excl. Interest Income | - | - |
| | Interest Income | - | - |
| | Contributions by Employer | 2,412,415 | 1,693,251 |
| | Benefits Paid | (2,412,415) | (1,693,251) |
| | Fair Value of Plan Assets at end | - | - |
| IX | Past Service Cost Recognized | | |
| | Past Service Cost- (non vested benefits) | - | - |
| | Past Service Cost-(vested benefits) | - | - |
| | Average remaining future service till vesting of the benefit | - | - |
| | Recognized Past service Cost- non vested benefits | - | - |
| | Recognized Past service Cost- vested benefits | - | - |
| | Unrecognized Past Service Cost- non vested benefits | - | - |
| X | Amounts to be recognized in the balance sheet and statement of profit & loss account | | |
| | PVO at end of period | 16,690,665 | 16,470,092 |
| | Fair Value of Plan Assets at end of period | - | - |
| | Funded Status | (16,690,665) | (16,470,092) |
| | Net Asset/(Liability) recognized in the balance sheet | (16,690,665) | (16,470,092) |
| XI | Expense recognized in the statement of P & L A/C | | |
| | Current Service Cost | 925,538 | 787,186 |
| | Net Interest | 1,037,944 | 1,355,439 |
| | Past Service Cost- (non vested benefits) | - | - |
| | Past Service Cost- (vested benefits) | - | - |
| | Curtailement Effect | - | - |
| | Settlement Effect | - | - |
| | Unrecognized Past Service Cost- non vested benefits | - | - |
| | Actuarial (Gain)/Loss recognized for the period | - | - |
| | Expense recognized in the statement of P & L A/C | 1,963,482 | 2,142,625 |
| | | Annexure 'A' GRATUITY | |
| Accounting Disclosures Statement | | | |
| Period of accounting | | 31.03.2021 | 31.03.2020 |
| XII | Other Comprehensive Income (OCI) | | |
| | Actuarial (Gain)/Loss recognized for the period | 669,506 | (2,684,131) |
| | Asset limit effect | - | - |
| | Return on Plan Assets excluding net interest | - | - |
| | Unrecognized Actuarial (Gain)/Loss from previous period | - | - |
| | Total Actuarial (Gain)/Loss recognized in (OCI) | 669,506 | (2,684,131) |
| XIII | Movements in the Liability recognized in Balance Sheet | | |
| | Opening Net Liability | 16,470,092 | 18,704,849 |
| | Adjustment to opening balance | - | - |
| | Expenses as above | 1,963,482 | 2,142,625 |
| | Contribution paid | (2,412,415) | (1,693,251) |
| | Other Comprehensive Income(OCI) | 669,506 | (2,684,131) |
| | Closing Net Liability | 16,690,665 | 16,470,092 |
| XIV | Schedule III of The Companies Act 2013 | | |
| | Current Liability | 499,084 | 1,796,270 |
| | Non-Current Liability | 16,251,581 | 14,673,822 |
| XV | Projected Service Cost 31 Mar 2022 | 930,827 | |

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

Note 31 - Related Party transactions

NAME OF RELATED PARTIES AND RELATIONS

(A) SUBSIDIARY COMPANY

a) Euroroyal Floors Ltd.

(B) ASSOCIATES CONCERN

a) Natroyal Industries Pvt. Limited
 b) Shreebha Trading & Consultancy Services LLP
 c) Tripathi Trading & Consultancy Services LLP
 d) Shreebha Trading & Consultancy Services LLP
 e) Shreebha Trading & Consultancy Services LLP
 f) Shreebha Trading & Consultancy Services LLP
 g) Tripathi Trading & Consultancy Services LLP
 h) Lokwan Trading & Consultancy Services LLP
 i) Shreebha Trading & Consultancy Services LLP

(C) KEY MANAGERIAL PERSONNEL

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

(D) BOARD DIRECTORS

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

2. RELATED PARTY TRANSACTIONS

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

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

* In respect of above parties, there is no provision for doubtful debts as on 31st Mar.'2021, except ₹ 233,375,543 provided in respect of due by the Subsidiary Company in earlier year.

Material/Goods/Fixed Assets sold and lease rent received to/from Natroyal Industries Pvt.Ltd. ₹ 609,298,926 (P.Y. ₹ 648,796,147)

Material Purchase from Natroyal Industries Pvt.Ltd. ₹ 361,482,008 (P.Y. ₹ 514,062,540)

**The High Court of Justice of U.K. made a winding -up order dated 11th June, 2001 against Euroroyal Flor Ltd and the official receiver has been appointed to liquidate the assets of ERF. Thereafter order dated 12/03/2002 was passed and Euroroyal Floor Ltd is dissolved. Further full provision has been made towards receivable of ₹ 23,33,75,543/- from Euroroyal Floor Ltd in earlier years.

Note 32 - Contingent Liabilities

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

Note 33 - Earnings per Share

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

Annual Report 2020-2021

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

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

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

Note 37 - Disclosure pursuant to Section 22 of "The Micro, Small & Medium Enterprises Development Act, 2006" is as follows: The Company has identified Micro and Small enterprises to whom the Company owes the dues which are outstanding as at the year-end:

| Particulars | 2020-21 | 2019-20 |
|--|------------|-----------|
| i) Principal amount remaining unpaid at the end of the year | 69,306,659 | 8,576,805 |
| ii) Interest accrued at the end of the year | - | - |
| iii) Interest remaining unpaid, out of above, as at the end of the year | - | - |
| iv) Further interest remaining due and payable even in the 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 Act. | - | - |

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

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

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

Note 40 - The Government of Gujarat has registered the Company as a viable sick unit and granted relief and concessions under the government resolution dated September 11, 2017. Further during the year, under this Scheme and resolution of Government of Gujarat, The Company has received State Goods & Service Tax of ₹ 335.56 lakh, which is revenue grant and same have been shown as Grant received and grouped under other income. The amount receivable from Govt. of Gujarat towards electricity duty, unit rebate & SGST claim is included in balance with government authorities.

Note 41 - Income Tax Expenses

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

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

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

Note 44 During the year Company has reviewed utilization/availability of various assets. The company found that some Land, Building and Plant & Machinery are no more needed, hence to be disposed for raising funds required for working capital. Profit on sales of Fixed assets was Rs. 896.38 lacs

Note 45 - CIF Value of Import

| | 2020-21 Amount in ₹ | 2019-20 Amount in ₹ |
|-----------------|------------------------|------------------------|
| Raw Materials | - | 14,32,423 |
| Stores & Spares | 28,32,015 | - |
| | <u>28,32,015</u> | <u>14,32,423</u> |

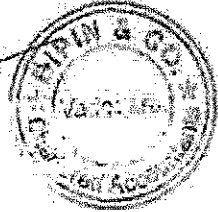
Note 46 - Expenditure in foreign currency

| | 2020-21 Amount in ₹ | 2019-20 Amount in ₹ |
|--------------------|------------------------|------------------------|
| (on accrual basis) | | |
| Stores & Spares | 23,38,004 | - |
| Foreign Travel | - | 39,473 |

Note 47 The figures of previous year have been regrouped / reclassified / recast wherever necessary to compare with the current year's figures. Figures in brackets in the schedules and Notes pertain to previous year.

Signatures to Notes
For BIPIN & CO.
Chartered Accountants
Firm Reg. No. 101139W

Amit Shah
Partner
Membership No. 125357
UDIN:21126337AAAAEF3514



Place : VADODRA
Date : 30/08/2021

For ROYAL CUSHION VINYL PRODUCTS LTD.

Mahesh K. Shah
MAHESH K. SHAH
Chairman & Managing Director
00054351

Jayesh A. Motasha
JAYESH A. MOTASHA
Director
00054235

Dreepi Parekh
DREEPI PAREKH
Company Secretary
ACS80878

Place : MUMBAI
Date : 30/08/2021

Royal Cushion Vinyl Products Limited

Cin no: L24110MH1983PLC031395

"Shlok" 60 – CD,

Govt. Industrial Estate, Charkop,

Kandivali (W), Mumbai – 400 067

Tel: + 91 22 32655828, 28603514, 16

Website: www.rcvp.in

January 25, 2022

The financial details and capital evolution of the transferor company for the previous 3 years as per the audited statement of Accounts:

Name of the Company: Royal Spinwell and Developers Private Limited ("Transferor Company")

Amount in ₹

| | As per last Audited Financial Year | 1 year prior to the last Audited Financial Year | 2 years prior to the last Audited Financial Year |
|--|---------------------------------------|---|--|
| | 2020-21 | 2019-20 | 2018-19 |
| Equity Paid up Capital | 1,00,200 | 1,00,200 | 1,00,200 |
| Reserves and surplus | (9,84,728) | (8,90,787) | (7,97,345) |
| Carry forward losses (<i>Refer Note 1</i>) | (9,84,728) | (8,90,787) | (7,97,345) |
| Net Worth | (8,84,528) | (7,90,587) | (6,97,145) |
| Miscellaneous Expenditure | - | - | - |
| Secured Loans | - | - | - |
| Unsecured Loans | 33,30,000 | 3285000 | 32,55,000 |
| Fixed Assets | 25,76,054 | 25,76,054 | 25,76,054 |
| Income from Operations | - | - | - |
| Total Income | - | - | - |
| Total Expenditure | 93,941 | 93,442 | 95,835 |
| Profit before Tax | (93,941) | (93,442) | (98,195) |
| Profit after Tax | (93,941) | (93,442) | (98,195) |
| Cash profit (<i>Refer Note 2</i>) | (93,941) | (93,442) | (98,195) |
| EPS | (9.38) | (9.33) | (9.80) |
| Book value per share (<i>Refer Note 3</i>) | (88.27) | (78.90) | (69.58) |

Note:

- 1) Debit Balance of Profit and Loss has been shown under carry forward losses
- 2) Cash Profit is calculated after adding back Depreciation and Amortization expense to Profit after Tax.
- 3) Book value per share is calculated by dividing total shareholders' fund by the total number of equity shares outstanding as at the year end.

Jayesh
Amritlal
Motasha

Digitally signed by
Jayesh Amritlal
Motasha
Date: 2022.01.25
20:24:51 +05'30'

ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED

REGISTERED OFFICE ADD: - 60 CD, SHLOK, GOVT INDUSTRIAL ESTATE, CHARKOP,
KANDIVALI (WEST), MUMBAI 400 067

BALANCE SHEET

**FOR THE PERIOD
01-04-2021 TO 30-09-2021**

AUDITOR'S REPORT

TO,
THE MEMBERS,
Royal Spinwell and Developers Private Limited (Formerly Known as Royal Spinwell Private Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of **Royal Spinwell and Developers Private Limited (Formerly Known as Royal Spinwell Private Limited)** ("the Company"), which comprises the Balance Sheet as at **Sept 30, 2021**, the Statement of Profit and Loss for the period ended and a summary of significant accounting policies and other explanatory information.

Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at Sept 30, 2021;
- (b) In the case of the Statement of Profit and Loss, of the profit for the period ended on that date.
- (c) In the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Those standards require that we comply with ethical requirement and plan and perform the audit to reasonable assurance about whether the financial statements are free from material misstatement. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

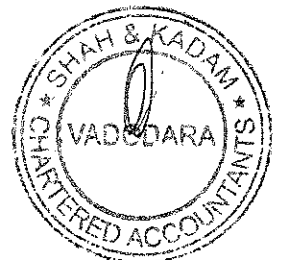
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements: None

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.



Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

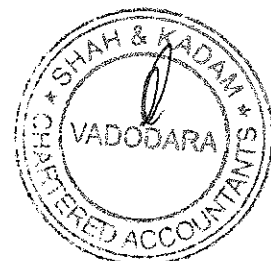
In preparing the financial statement, management is responsible for assessing the ability of the company to continue as a going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

The Board of Director are responsible for overseeing the company's financial reporting process.

Auditors' Responsibility for the audit of financial statement

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.

As part of audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's reports to the related disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. Our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, is not applicable to the Company
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and Cash flow dealt with by this Report are in agreement with the books of account.



- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss comply with the Accounting Standards referred to in 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 as on Sept 30, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on Sept 30, 2021, from being appointed as a director in terms of Section 164 of the Companies Act, 2013.
- f. According to the information and explanations given to us and based on our audit, the Company has an adequate internal financial control system over financial reporting and the same were operating effectively as at 30th Sept, 2021.
- g. With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, if required to be transferred, to the Investor Education and Protection Fund by the Company.
- h. with respect to the other matters to be included in the Auditor's report in accordance with the requirement of the section 197(16) of the Act, as amended, in our opinion and the best of our information and according to the explanations given to us, the company has not paid /provided any managerial remuneration during the period. Hence reporting under section 197 (16) of the act is not applicable to the company.

For SHAH & KADAM
Chartered Accountants
FRN 117413W



CA Kalpesh B. Shah
Partner

MRN: 107121

UDIN: 22107121AAAA BF7678

Place: Vadodara

Date: 4/1/2022

ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED
(Formerly Known as Royal Spinwell Private Limited)
Balance Sheet for the period 30st Sept, 2021

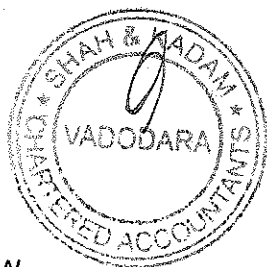
| Particulars | Note No. | 30-09-2021 | 31/03/2021 |
|----------------------------------|----------|------------------|------------------|
| | | Amount ₹ | Amount ₹ |
| I. EQUITY AND LIABILITIES | | | |
| 1 Shareholders' funds | | | |
| (a) Share capital | 1 | 100,200 | 100,200 |
| (b) Reserves and surplus | 2 | -1,297,433 | -984,728 |
| 2 Current liabilities | | | |
| (a) Long-term borrowings | 3 | 3,655,000 | 3,330,000 |
| (b) Trade payables | | 11,800 | 11,800 |
| (c) Short-term provisions | 4 | 149,028 | 149,028 |
| TOTAL | | 2,618,595 | 2,606,300 |
| ASSETS | | | |
| I. Fixed Assets | 5 | 2,576,054 | 2,576,054 |
| II. Current assets | | | |
| 1 (a) Trade receivables | | - | - |
| (b) Cash and cash equivalents | 6 | 42,541 | 30,246 |
| TOTAL | | 2,618,595 | 2,606,300 |

Notes on account and significant accounting policies

9

As per audit report of even date

For SHAH & KADAM
Chartered Accountant

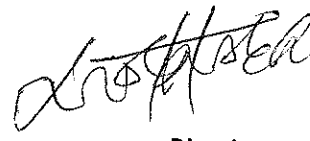



Kalpesh Shah
Partner
M.NO. 107121
Firm Regn. No. 117412 W
Place: Vadodara
Date 04/09/2022
UDIN = 22107121 AAAABF7678

For ROYAL SPINWELL AND DEVELOPERS PVT LTD
(Formerly Known as Royal Spinwell Private Limited)



Director
(Vinod K Shah)
00054667



Director
(Jayesh Motasha)
00054236

Pg no 145

ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED
(Formerly Known as Royal Spinwell Private Limited)
Profit and loss statement for the Period ended 30/09/2021

| Particulars | Note No. | 30 Sept 2021 Amount ₹ | 31 March 2021 Amount ₹ |
|--|----------|--------------------------|---------------------------|
| I. Revenue from operations | | - | - |
| II. Other income | | - | - |
| III. Total Revenue | | - | - |
| IV Expenses: | | | |
| Cost of goods sold. Imitated Leather (Coated Man-made Textile) | | | |
| Employee benefits expense | 7 | 59 | 357 |
| Finance costs | | - | - |
| Depreciation and amortization expense | 8 | 312,646 | 93,584 |
| Other expenses | | | |
| Total expenses | | 312,705 | 93,941 |
| V Profit before exceptional and extraordinary items and tax | | -312,705 | -93,941 |
| VI Exceptional items | | | |
| VII Profit before extraordinary items and tax | | -312,705 | -93,941 |
| VIII. Extraordinary Items | | | |
| IX. Profit before tax | | -312,705 | -93,941 |
| X. Tax expense: | | | |
| (1) Current tax | | | |
| (2) Deferred Tax | | | |
| (3) Income Tax Provision of Previous years | | | |
| XI. Profit (Loss) for the period from continuing operations | | -312,705 | -93,941 |
| XII. Profit/(loss) from discontinuing operations | | | |
| XIII. Tax expense of discontinuing operations | | | |
| XIV. Profit/(loss) from Discontinuing operations (after tax) | | -312,705 | -93,941 |
| XV. Profit (Loss) for the period | | -312,705 | -93,941 |
| XVI. Earnings per equity share: | | | |
| (1) Basic | | -62.42 | -9.38 |

Notes on account and significant accounting policies
As per audit report of even date

9

For SHAH & KADAM
Chartered Accountant

Kalpesh Shah
Partner

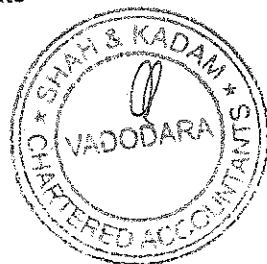
M.NO. 107121

Firm Regn. No. 117412 W

Place: Vadodara

Date: 04/01/2022

UDIN = 22 107121 AAAABF7678



For ROYAL SPINWELL AND DEVELOPERS PVT LTD
(Formerly Known as Royal Spinwell Private Limited)

Director
(Vinod K. Shah)
00054667

Director
(Jayesh Motasha)
00054236

ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED
(Formerly Known as Royal Spinwell Private Limited)
NOTE 1 SHARE CAPITAL

| Share Capital | As on 30/09/2021 | As on 31/03/2021 |
|--|------------------|------------------|
| | Amount ₹ | Amount ₹ |
| Authorised 1,00,000 (Previous year 1,00,000) Equity Shares of 10/- each | 1,00,000 | 1,00,000 |
| Issued 10,020 (Previous Year 10,020) Equity Shares of 10/- each | 100,200 | 100,200 |
| Subscribed & Paid up 10,020 (Previous Year 10,020) Equity Shares of 10/- each fully paid up | 100,200 | 100,200 |
| Total | 100,200 | 100,200 |

NOTE 2 RESERVES AND SURPLUS

| Reserves & Surplus | As on 30/09/2021 | As on 31/03/2021 |
|---|--------------------|------------------|
| | Amount ₹ | Amount ₹ |
| a. Surplus/Deficit in the statement of Profit & Loss | | |
| Opening balance | (984,728) | (890,787) |
| (+) Net Profit/(Net Loss) For the current year | (312,705) | (93,941) |
| Sub total | (1,297,433) | (984,728) |

NOTE 3 Long Term Borrowings

| Long Term Borrowings | As on 30/09/2021 | As on 31/03/2021 |
|-------------------------------|------------------|------------------|
| | Amount ₹ | Amount ₹ |
| From Directors Jayesh Motasha | 445,000 | 145,000 |
| From Directors Vinod K Shah | 3,210,000 | 3,185,000 |
| Total | 3,655,000 | 3,330,000 |

NOTE 4 SHORT TERM PROVISION

| Short Term Provisions | As on 30/09/2021 | As on 31/03/2021 |
|----------------------------|------------------|------------------|
| | Amount ₹ | Amount ₹ |
| (a) Others | | |
| Provision for property tax | 128,968 | 128,968 |
| Provision for Audit fees | 20,060 | 20,060 |
| Total | 149,028 | 149,028 |

NOTE 6 CASH AND CASH EQUIVALENTS

| Cash and cash equivalents | As on 30/09/2021 | As on 31/03/2021 |
|---------------------------|------------------|------------------|
| | Amount ₹ | Amount ₹ |
| a. Bank Balance | 42,541 | 30,246 |
| Total | 42,541 | 30,246 |



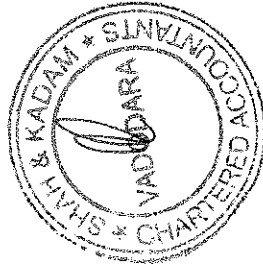
ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED

(Formerly Known as Royal Spinwell Private Limited)

Calculation of Depreciation for the period ended 30.09.2021

Note No: 5

| Sr. No. | Particulars | Rate (%) | Gross Block | | Depreciation Block | | | Net Block | |
|---------|-----------------|----------|----------------------|-----------------------|--------------------|----------------------|--------------|-----------------------|------------------|
| | | | As at 1st April 2021 | Addition/ (Deduction) | As on 30/09/2021 | As at 1st April 2021 | For the year | Addition/ (Deduction) | As on 30/09/2021 |
| 1 | Land (Freehold) | 0 | 2,576,054 | - | 2,576,054 | - | - | 2,576,054 | 2,576,054 |
| | Total | | 2,576,054 | - | 2,576,054 | - | - | 2,576,054 | 2,576,054 |



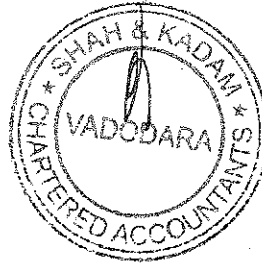
ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED
(Formerly Known as Royal Spinwell Private Limited)

NOTE 7 FINANCE COST

| Finance costs | As on 30/09/2021 | As on 31/03/2021 |
|---------------|------------------|------------------|
| | Amount ₹ | Amount ₹ |
| Bank charges | 357 | 357 |
| Total | 357 | 357 |

NOTE 8 OTHER EXPENSE

| SR No | Other expenses | As on 30/09/2021 | As on 31/03/2021 |
|--------------|-------------------------------|------------------|------------------|
| | | Amount ₹ | Amount ₹ |
| 1 | Property and Revenue Tax | 292,646 | 65,984 |
| 2 | Filling of ROC Return expense | - | 1,200 |
| 3 | Audit Fees | - | 20,060 |
| 4 | Legal Expenses | 20,000 | 5,110 |
| 5 | Misc. Expenses | - | 1,230 |
| Total | | 312,646 | 93,584 |



Royal Spinwell and Developers Private Limited (Formerly Known as Royal Spinwell Private Limited)
NOTES TO THE FINANCIAL STATEMENTS

[I] SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of preparation of financial statement:

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Policies (GAAP) under the historical cost convention on the accrual basis except for certain financial statements which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policies hitherto in use.

B. Use of estimates:

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of incomes and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

C. Revenue Recognition:

There is no revenue recognized by the Company during the period.

D. Fixed Assets and Depreciation:

1. Fixed Assets are carried at cost of acquisition including incidental cost relating to acquisition, installation of these Assets. Fixed Assets are shown net of accumulated depreciation.
2. Depreciation is being provided on written down value of the Asset as prescribed in schedule II of the Companies Act, 2013.



3. Depreciation on addition to Fixed Assets is provided on pro-rata basis from the date addition as per written down value of the asset as per schedule II of the Companies Act, 2013.
4. Fixed Assets are not reviewed for impairment since in the opinion of the management. Their carrying amount is recoverable.

E. Retirement Benefits:

The Company has not complied with the valuation procedure as prescribed according to AS-15, "Accounting for Retirement Benefit" as issued by the Institute of Chartered Accountant of India.

F. Deferred Tax Assets & Liability

Due to absence of virtual/reasonable certainty (as the case may be), supported by convincing evidence that future taxable income would be available. No deferred tax have been recognized on unabsorbed depreciation and carried forward losses and temporary timing difference:

G. Inventories

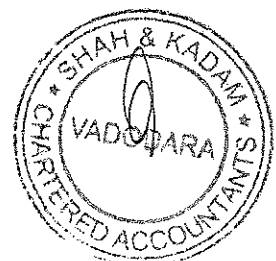
Inventories are taken as valued and certified by the management. Quantitative records are not maintained with respect of inventory.

H. Contingent Liabilities:

Contingent liabilities, which are material, have been reflected separately in the notes to account. However, No provision is made in the books of account in this respect.

[(ii) NOTES FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED 30th Sept, 2021

1. The current assets, loans and advances reflected in the Balance Sheet are in the opinion of the Management, approximately of the value realizable in the ordinary course of the business. The provision for all known liabilities is adequate and not in excess of the amounts reasonably necessary.
2. The Balance of Debtors, Creditors, Loans & Advances are subject to confirmation. Pending entries or adjustments, if any are required will be passed in due course.
3. Figures are rounded off to the nearest of rupee.
4. Evidence like Stamp, receipts, vouchers, bill etc could not be produce in respect of some of the expenditure incurred. However, director has certified that all such expenses are incurred for the purpose of the business and are appropriately accounted for in the books of accounts.



5. Previous year figures have been regrouped wherever necessary, the previous years figures are not comparable as current period figures are for six months.

6. Contingent liabilities:

| Sr. No. | Nature of Transaction | Amount |
|---------|--|--------------|
| 1 | Estimated amount of Contracts remaining to be executed | Nil |
| 2 | Corporate Guarantee | 56.86 crores |

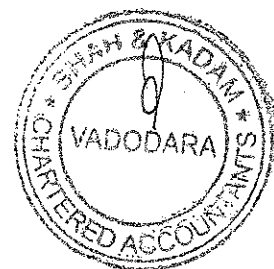
7. RELATED PARTY TRANSACTION :

| Sr. No. | Nature of Transaction | Associates | Key Management Personnel |
|---------|-----------------------|--------------------------------|--------------------------|
| 1 | Loan Received | | 3,25,000 (45,000) |
| 2 | Outstanding | | |
| | Corporate Guarantee | 56,86,00,000 (56,86,00,000) | |
| | Loans | | 36,55,000 (33,30,000) |

8. The SSI Status of the creditors is not known to the company hence the information is not given.

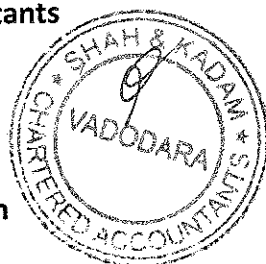
9. Payment to Auditors:

| Auditors Remuneration | 2021-22 | 2020-21 |
|-----------------------|---------|---------------------|
| Audit Fees | -- | Rs. 15,340/- |
| For Taxation matters | -- | -- |
| Total | -- | Rs. 15,340/- |



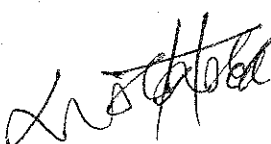
10. Figures for the previous accounting year have been re-grouped, re-arranged and reclassified wherever necessary.

FOR SHAH & KADAM
Chartered Accountants
FRN 117413W



CA Kalpesh B. Shah
Partner
MRN: 107121
UDIN: 22107121DAAA8F7678
Place: Vadodara
Date: 4.1.2022

For Royal Spinwell and Developers Private Limited
(Formerly Known as Royal Spinwell Private Limited)



Director
Name: Jayesh Motasha
DIN: 00054236



Director
Name: Vinod Shah
DIN: 00054667

ANNUAL REPORT

FOR THE ACCOUNTING YEAR

2020-2021

OF

ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED

(Formerly Known as Royal Spinwell Private Limited)

60-CD, SHLOK, GOVT. INDL. Estate, Charkop,
Kandivali West, Mumbai-400067.

BY
AUDITORS:

SHAH AND KADAM
Chartered Accountants
509/A, Atlantis Heights, Sarabhai Main Road,
Genda Circle, Vadodara-390007 Gujarat

AUDITOR'S REPORT

TO,
THE MEMBERS,
Royal Spinwell and Developers Private Limited (Formerly Known as Royal Spinwell Private Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of Royal Spinwell and Developers Private Limited (Formerly Known as Royal Spinwell Private Limited) ("the Company"), which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss for the year ended and a summary of significant accounting policies and other explanatory information.

Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2021;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date.
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Those standards require that we comply with ethical requirement and plan and perform the audit to reasonable assurance about whether the financial statements are free from material misstatement. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

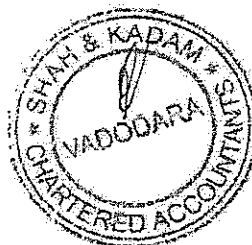
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements: None

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.



Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is responsible for assessing the ability of the company to continue as a going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

The Board of Director are responsible for overseeing the company's financial reporting process.

Auditors' Responsibility for the audit of financial statement

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.

As part of audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's reports to the related disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. Our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, is not applicable to the Company
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and Cash flow dealt with by this Report are in agreement with the books of account.

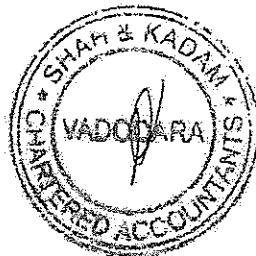


- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss comply with the Accounting Standards referred to in section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164 of the Companies Act, 2013.
- f. According to the information and explanations given to us and based on our audit, the Company has an adequate internal financial control system over financial reporting and the same were operating effectively as at 31st March, 2021.
- g. With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, if required to be transferred, to the Investor Education and Protection Fund by the Company.
- h. with respect to the other matters to be included in the Auditor's report in accordance with the requirement of the section 197(16) of the Act, as amended, in our opinion and the best of our information and according to the explanations given to us, the company has not paid /provided any managerial remuneration during the period. Hence reporting under section 197 (16) of the act is not applicable to the company.

For SHAH & KADAM
Chartered Accountants
FRN 117413W0

Handwritten signature

CA Kalpesh B. Shah
Partner
MRN: 107121
Place: Vadodara
Date: 5.9.2021



VDIA 21107121 AAAA D 55439

ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED
(Formerly Known as Royal Spinwell Private Limited)
Balance Sheet as at 31st March, 2021

| Particulars | Note No. | 31 March 2021 | 31 March 2020 |
|----------------------------------|----------|------------------|------------------|
| | | Amount ₹ | Amount ₹ |
| I. EQUITY AND LIABILITIES | | | |
| 1 Shareholders' funds | | | |
| (a) Share capital | 1 | 1,00,200 | 1,00,200 |
| (b) Reserves and surplus | 2 | -9,84,728 | -8,90,787 |
| 2 Current liabilities | | | |
| (a) Long-term borrowings | 3 | 33,30,000 | 32,85,000 |
| (b) Trade payables | | 11,800 | 11,800 |
| (c) Short-term provisions | 4 | 1,49,028 | 81,324 |
| TOTAL | | 26,06,300 | 25,87,537 |
| ASSETS | | | |
| I. Fixed Assets | 5 | 25,76,054 | 25,76,054 |
| II. Current assets | | | |
| 1 (a) Trade receivables | | - | - |
| (b) Cash and cash equivalents | 6 | 30,246 | 11,483 |
| TOTAL | | 26,06,300 | 25,87,537 |

Notes on account and significant accounting policies

9

As per audit report of even date

For SHAH & KADAM
Chartered Accountant

Kalpesh Shah
Partner
M.NO. 107121
Firm Regn. No. 117412 W
Place: Vadodara
Date 15/04/2021



For ROYAL SPINWELL AND DEVELOPERS PVT LTD
(Formerly Known as Royal Spinwell Private Limited)

Director
(Vinod K Shah)
00054667

Director
(Jayesh Motashia)
00054236

UDIN: 21107121AAAADS5439

Pg no 159

ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED
(Formerly Known as Royal Spinwell Private Limited)
Profit and loss statement for the year ended 31/03/2021

| Particulars | Note No. | 31 March 2021 Amount ₹ | 31 March 2020 Amount ₹ |
|--|----------|---------------------------|---------------------------|
| I. Revenue from operations | | - | - |
| II. Other income | | - | - |
| III. Total Revenue | | - | - |
| IV Expenses: | | | |
| Cost of goods sold, Imitated Leather (Coated Man-made Textile) | | - | - |
| Employee benefits expense | 7 | 357 | 1,988 |
| Finance costs | | - | - |
| Depreciation and amortization expense | 8 | 93,584 | 91,454 |
| Other expenses | | - | - |
| Total expenses | | 93,941 | 93,442 |
| V Profit before exceptional and extraordinary items and tax | | -93,941 | -93,442 |
| VI Exceptional items | | - | - |
| VII Profit before extraordinary items and tax | | -93,941 | -93,442 |
| VIII. Extraordinary items | | - | - |
| IX. Profit before tax | | -93,941 | -93,442 |
| X. Tax expense: | | | |
| (1) Current tax | | - | - |
| (2) Deferred Tax | | - | - |
| (3) Income Tax Provision of Previous years | | - | - |
| XI. Profit (Loss) for the period from continuing operations | | -93,941 | -93,442 |
| XII. Profit/(loss) from discontinuing operations | | - | - |
| XIII. Tax expense of discontinuing operations | | - | - |
| XIV. Profit/(loss) from Discontinuing operations (after tax) | | -93,941 | -93,442 |
| XV. Profit (Loss) for the period | | -93,941 | -93,442 |
| XVI. Earnings per equity share: | | | |
| (1) Basic | | -9.38 | -9.33 |

Notes on account and significant accounting policies
As per audit report of even date

9

For SHAH & KADAM
Chartered Accountant

Kalpesh Shah
Partner
M.NO. 107121
Firm Regn. No. 117412 W
Place: Vadodara
Date: 15/9/2021



For ROYAL SPINWELL AND DEVELOPERS PVT LTD
(Formerly Known as Royal Spinwell Private Limited)

Director
(Vinod K Shah)
00054667

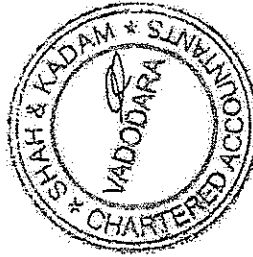
Director
(Jayesh Motasha)
00084236

UDIN 21107121AAAA D55439

ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED
 (Formerly known as Royal Spinwell Private Limited)

Note No: 5

| Sr. No. | Particulars | Rate (%) | Gross Block | | Depreciation Block | | | Net Block | | |
|---------|-----------------|----------|----------------------|-----------------------|--------------------|----------------------|--------------|-----------------------|------------------|-----------------------|
| | | | As at 1st April 2020 | Addition/ (Deduction) | As on 31/03/2021 | As at 1st April 2020 | For the year | Addition/ (Deduction) | As on 31/03/2021 | As at 31st March 2020 |
| 1 | Land (Freehold) | 0 | 25,76,054 | - | 25,76,054 | - | - | - | 25,76,054 | 25,76,054 |
| | Total | | 25,76,054 | - | 25,76,054 | - | - | - | 25,76,054 | 25,76,054 |



ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED
(Formerly Known as Royal Spinwell Private Limited)
NOTE 1 SHARE CAPITAL

| Share Capital | As on 31/03/2021 | As on 31/03/2020 |
|---|---------------------|---------------------|
| | Amount ₹ | Amount ₹ |
| <u>Authorised</u> 1,00,000 (Previous year 1,00,000) Equity Shares of 10/- each | 10,00,000 | 10,00,000 |
| <u>Issued</u> 10,020 (Previous Year 10,020) Equity Shares of 10/- each | 1,00,200 | 1,00,200 |
| <u>Subscribed & Paid up</u> 10,020 (Previous Year 10,020) Equity Shares of 10/- each fully paid up | 1,00,200 | 1,00,200 |
| Total | 1,00,200 | 1,00,200 |

NOTE 2 RESERVES AND SURPLUS

| Reserves & Surplus | As on 31/03/2021 | As on 31/03/2020 |
|---|---------------------|---------------------|
| | Amount ₹ | Amount ₹ |
| a. Surplus/Deficit in the statement of Profit & Loss | | |
| Opening balance | (8,90,787) | (7,97,343) |
| (+) Net Profit/(Net Loss) For the current year | (93,941) | (93,442) |
| Sub-total | (9,84,728) | (8,90,787) |

NOTE 3 Long Term Borrowings

| Long Term Borrowings: | As on 31/03/2021 | As on 31/03/2020 |
|-------------------------------|---------------------|---------------------|
| | Amount ₹ | Amount ₹ |
| From Directors Jayesh Motasha | 1,45,000 | 1,45,000 |
| From Directors Vinod K Shah | 31,85,000 | 31,40,000 |
| Total | 33,30,000 | 32,85,000 |

NOTE 4 SHORT TERM PROVISION

| Short Term Provisions | As on 31/03/2021 | As on 31/03/2020 |
|----------------------------|---------------------|---------------------|
| | Amount ₹ | Amount ₹ |
| (a) Others | | |
| Provision for property tax | 1,28,968 | 65,964 |
| Provision for Audit fees | 20,060 | 15,340 |
| Total | 1,49,028 | 81,324 |

NOTE 6 CASH AND CASH EQUIVALENTS

| Cash and cash equivalents: | As on 31/03/2021 | As on 31/03/2020 |
|----------------------------|---------------------|---------------------|
| | Amount ₹ | Amount ₹ |
| a. Cash on hand | 30,246 | 11,483 |
| Total | 30,246 | 11,483 |



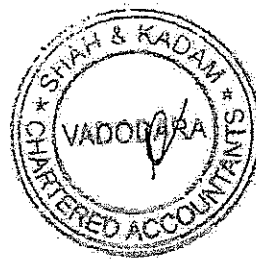
ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED
(Formerly Known as Royal Spinwell Private Limited)

NOTE 7 FINANCE COST

| Finance costs | As on 31/03/2021 | As on 31/03/2020 |
|---------------|---------------------|---------------------|
| | Amount ₹ | Amount ₹ |
| Bank charges | 357 | 1,088 |
| Total | 357 | 1,988 |

NOTE 8 OTHER EXPENSE

| SR No | Other expenses | As on 31/03/2021 | As on 31/03/2020 |
|--------------|------------------------------|---------------------|---------------------|
| | | Amount ₹ | Amount ₹ |
| 1 | Property and Revenue Tax | 65,984 | 65,984 |
| 2 | Filing of ROC Return expense | 1,200 | 3,630 |
| 3 | Audit Fees | 20,060 | 15,340 |
| 4 | Legal Expenses | 5,110 | 6,500 |
| 5 | Misc. Expenses | 1,230 | - |
| Total | | 93,584 | 91,454 |



Royal Spinwell and Developers Private Limited (Formerly Known as Royal Spinwell Private Limited)
NOTES TO THE FINANCIAL STATEMENTS

[I] SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of preparation of financial statement:

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Policies (GAAP) under the historical cost convention on the accrual basis except for certain financial statements which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policies hitherto in use.

B. Use of estimates:

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of incomes and expenses during the period.

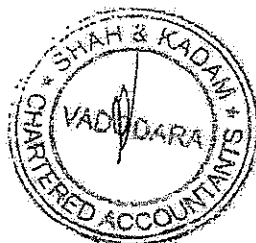
Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

C. Revenue Recognition:

There is no revenue recognized by the Company during the year.

D. Fixed Assets and Depreciation:

1. Fixed Assets are carried at cost of acquisition including incidental cost relating to acquisition, installation of these Assets. Fixed Assets are shown net of accumulated depreciation.
2. Depreciation is being provided on written down value of the Asset as prescribed in schedule II of the Companies Act, 2013.



3. Depreciation on addition to Fixed Assets is provided on pro-rata basis from the date addition as per written down value of the asset as per schedule II of the Companies Act, 2013.
4. Fixed Assets are not reviewed for impairment since in the opinion of the management. Their carrying amount is recoverable.

E. Retirement Benefits:

The Company has not complied with the valuation procedure as prescribed according to AS-15, "Accounting for Retirement Benefit" as issued by the Institute of Chartered Accountant of India.

F. Deferred Tax Assets & Liability

Due to absence of virtual/reasonable certainty (as the case may be), supported by convincing evidence that future taxable income would be available. No deferred tax have been recognized on unabsorbed depreciation and carried forward losses and temporary timing difference.

G. Inventories

Inventories are taken as valued and certified by the management. Quantitative records are not maintained with respect of inventory.

H. Contingent Liabilities:

Contingent liabilities, which are material, have been reflected separately in the notes to account. However, No provision is made in the books of account in this respect.

[(II)] NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2021

1. The current assets, loans and advances reflected in the Balance Sheet are in the opinion of the Management, approximately of the value realizable in the ordinary course of the business. The provision for all known liabilities is adequate and not in excess of the amounts reasonably necessary.
2. The Balance of Debtors, Creditors, Loans & Advances are subject to confirmation. Pending entries or adjustments, if any are required will be passed in due course.
3. Figures are rounded off to the nearest of rupee.
4. Evidence like Stamp, receipts, vouchers, bill etc could not be produce in respect of some of the expenditure incurred. However, director has certified that all such expenses are incurred for the purpose of the business and are appropriately accounted for in the books of accounts.



5. Previous year figures have been regrouped wherever necessary to make them comparable with current year's figures.
6. Contingent liabilities in respect of statutory dues are not quantified.
7. RELATED PARTY TRANSACTION DURING THE YEAR:

| Sr. No | Name of Transaction | Amount Rs. | Amount Rs. |
|--------|--------------------------|------------|------------|
| | | 2020-21 | 2019-20 |
| 1 | Director- Jayesh Motasha | 1,45,000 | 1,45,000 |
| 2 | Director- Vinod Shah | 31,85,000 | 31,40,000 |
| | Total | 33,30,000 | 32,85,000 |

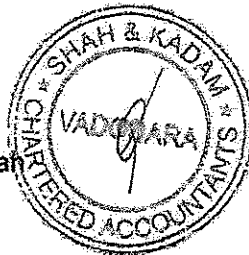
8. The SSI Status of the creditors is not known to the company hence the information is not given.
9. Payment to Auditors:

| Auditors Remuneration | 2020-21 | 2019-20 |
|-----------------------|------------|--------------|
| Audit Fees | RS. 20,060 | Rs. 15,340/- |
| For Taxation matters | -- | -- |
| Total | RS. 20,060 | Rs. 15,340/- |

10. Figures for the previous accounting year have been re-grouped, re-arranged and reclassified wherever necessary.

FOR SHAH & KADAM
Chartered Accountants
FRN 117413W

CA Kalpesh B. Shah
Partner
MRN: 107121
UDIN:
Place: Vadodara
Date: 15.9.2021



For Royal Spinwell and Developers Private Limited
(Formerly Known as Royal Spinwell Private Limited)

Director
Name: Jayesh Motasha
DIN: 00054236

Director
Name: Vinod Shah
DIN: 00054667

UDIN 21107121 AAAA 055439

AUDIT REPORT

FOR THE ACCOUNTING YEAR

2019 - 2020

OF

**Royal Spinwell and Developers
Private Limited(Formerly
Known as Royal Spinwell
Private Limited)**

60 CD sholk, Industrial Estate
Charkop,kandiwali (East) Mumbai
400101

BY
AUDITORS :

**SHAH AND KADAM
CHARTERED ACCOUNTANTS**

509/A, ATLANTIS HEIGHTS, SARABHAI MAIN ROAD,
GENDA CIRCLE, VADODARA-390007 GUJARAT

AUDITOR'S REPORT

TO,
THE MEMBERS,
Royal Spinwell and Developers Private Limited
(Formerly Known as Royal Spinwell Private Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of Royal Spinwell and Developers Private Limited (Formerly Known as Royal Spinwell Private Limited) ("the Company"), which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss for the year ended and a summary of significant accounting policies and other explanatory information.

Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as of March 31, 2020;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date;
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Those standards require that we comply with ethical requirement and plan and perform the audit to reasonable assurance about whether the financial statements are free from material misstatement. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements: None



Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

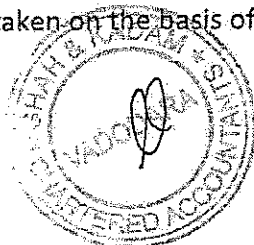
The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is responsible for assessing the ability of the company to continue as a going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

The Board of Director are responsible for overseeing the company's financial reporting process.

Auditors' Responsibility for the audit of financial statement

Our objectives are to obtain reasonable assurance about whether the financial statements 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.



As part of audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's reports to the related disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. Our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, is not applicable to the Company
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.



- c. The Balance Sheet, the Statement of Profit and Loss and Cash flow dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss comply with the Accounting Standards referred to in 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 as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164 of the Companies Act, 2013.
- f. According to the information and explanations given to us and based on our audit, the Company has an adequate internal financial control system over financial reporting and the same were operating effectively as of 31st March, 2020.
- g. With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, if required to be transferred, to the Investor Education and Protection Fund by the Company.
- h. with respect to the other matters to be included in the Auditor's report in accordance with the requirement of the section 197(16) of the Act, as amended, in our opinion and the best of our information and according to the explanations given to us, the company has not paid /provided any managerial remuneration during the period. Hence reporting under section 197 (16) of the act is not applicable to the company.

For SHAH & KADAM
Chartered Accountants
FRN 117413W



CA Kalpesh B. Shah
Partner

MRN: 107121

UDIN: 20107121AAAAEJ8694



Place: Vadodara

Date: 18-01-2020

ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED
(Formerly Known as Royal Spinwell Private Limited)
Balance Sheet as at 31st March, 2020

| Particulars | Note No. | 31 March 2020 | 31 March 2019 |
|----------------------------------|----------|------------------|------------------|
| | | Amount INR | Amount INR |
| I. EQUITY AND LIABILITIES | | | |
| 1 Shareholders' funds: | | | |
| (a) Share capital | 1 | 1,00,200 | 1,00,200 |
| (b) Reserves and surplus | 2 | -8,90,787 | -7,97,345 |
| 2 Current liabilities | | | |
| (a) Long-term borrowings | 3 | 32,85,000 | 32,55,000 |
| (b) Trade payables | | 11,800 | - |
| (c) Short-term provisions | 4 | 81,324 | 23,600 |
| TOTAL | | 25,87,537 | 25,81,455 |
| ASSETS | | | |
| I. Fixed Assets | 5 | 25,76,054 | 25,76,054 |
| II. Current assets | | | |
| 1 (a) Trade receivables | | - | - |
| (b) Cash and cash equivalents | 6 | 11,483 | 5,401 |
| TOTAL | | 25,87,537 | 25,81,455 |

Notes on account and significant accounting policies

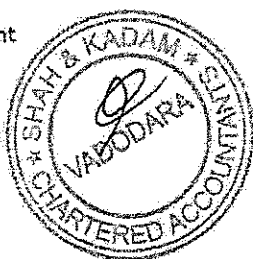
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As per audit report of even date

For SHAH & KADAM
Chartered Accountant



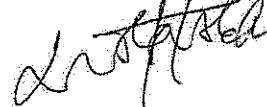
Kalpesh Shah
Partner
M.NO. 107121
Firm Regn. No. 117412 W
UDIN: 20107121AAAAE18694
Place: Vadodara
Date 18-11-2020



For ROYAL SPINWELL AND DEVELOPERS PVT LTD
(Formerly Known as Royal Spinwell Private Limited)



Director
(Vinod K. Shah)
00054667



Director
(Jayesh Motasha)
00054236

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ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED
(Formerly Known as Royal Spinwell Private Limited)
Profit and loss statement for the year ended 31/03/2020

| Particulars | | Note No. | 31 March 2020 Amount INR | 31 March 2019 Amount INR |
|-------------|---|----------|-----------------------------|-----------------------------|
| I. | Revenue from operations | | - | - |
| II. | Other Income | | - | - |
| III. | Total Revenue | | - | - |
| IV. | Expenses: | | | |
| | Cost of goods sold, limited Leather (Coated Man-made Textile) | | | |
| | Employee benefits expense | 7 | 1,988 | 815 |
| | Finance costs | | - | - |
| | Depreciation and amortization expense | 8 | 91,454 | 97,380 |
| | Other expenses | | | |
| | Total expenses | | 93,442 | 98,195 |
| V. | Profit before exceptional and extraordinary items and tax | | -93,442 | -98,195 |
| VI. | Exceptional items | | | |
| VII. | Profit before extraordinary items and tax | | -93,442 | -98,195 |
| VIII. | Extraordinary items | | | |
| IX. | Profit before tax | | -93,442 | -98,195 |
| X. | Tax expense: | | | |
| | (1) Current tax | | | |
| | (2) Deferred Tax | | | |
| | (3) Income Tax Provision of Previous years | | | |
| XI. | Profit (Loss) for the period from continuing operations | | -93,442 | -98,195 |
| XII. | Profit/(loss) from discontinuing operations | | | |
| XIII. | Tax expense of discontinuing operations | | | |
| XIV. | Profit/(loss) from Discontinuing operations (after tax) | | -93,442 | -98,195 |
| XV. | Profit (Loss) for the period | | -93,442 | -98,195 |
| XVI. | Earnings per equity share: | | | |
| | (1) Basic | | -9.33 | -9.80 |

Notes on account and significant accounting policies
As per audit report of even date

9

For SHAH & KADAM
Chartered Accountant

Kalpesh Shah
Partner

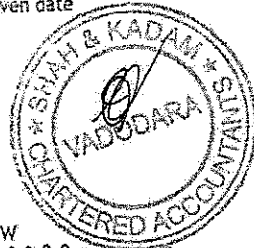
M.NO: 107121

Firm Regn. No. 117412 W

UDIN: 20107121AAAAEJ8694

Place: Vadodara

Date: 18-11-2020



For ROYAL SPINWELL AND DEVELOPERS PVT LTD
(Formerly Known as Royal Spinwell Private Limited)

Director
(Vinod K Shah)
00054657

Director
(Jayesh Motasha)
00054236

ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED
(Formerly Known as Royal Spinwell Private Limited)
NOTE 1 SHARE CAPITAL

Disclosure pursuant to Note no. 6(A)(a,b & c) of Part I of Schedule VI to the Companies Act, 1956

| Share Capital | As on | As on |
|--|-----------------|-----------------|
| | 31/03/2020 | 31/03/2019 |
| | Amount INR | Amount INR |
| Authorized | | |
| 1,00,000 (Previous year 1,00,000) Equity Shares of 10/- each | 10,00,000 | 10,00,000 |
| Issued | | |
| 10,020 (Previous Year 10,020) Equity Shares of 10/- each | 1,00,200 | 1,00,200 |
| Subscribed & Paid up | | |
| 10,020 (Previous Year 10,020) Equity Shares of 10/- each fully paid up | 1,00,200 | 1,00,200 |
| Total | 1,00,200 | 1,00,200 |

NOTE 2 RESERVES AND SURPLUS

Disclosure pursuant to Note no. 6(B) of Part I of Schedule VI to the Companies Act, 1956

| Reserves & Surplus | As on | As on |
|---|-------------------|-------------------|
| | 31/03/2020 | 31/03/2019 |
| | Amount INR | Amount INR |
| a. Surplus/Deficit in the statement of Profit & Loss | | |
| Opening balance | (7,97,345) | (6,99,150) |
| (+) Net Profit/(Net Loss) For the current year | (93,442) | (98,195) |
| Sub-total | (8,90,787) | (7,97,345) |

NOTE 3 Long Term Borrowings

Disclosure pursuant to Note no. 6(F) of Part I of Schedule VI to the Companies Act, 1956

| Long Term Borrowings | As on | As on |
|-------------------------------|------------------|------------------|
| | 31/03/2020 | 31/03/2019 |
| | Amount INR | Amount INR |
| From Directors: Jayesh Mittal | 1,45,000 | 1,30,000 |
| From Directors: Vinod K Shah | 31,40,000 | 31,25,000 |
| Total | 32,85,000 | 32,55,000 |

NOTE 4 SHORT TERM PROVISION

Disclosure pursuant to Note no. 6(H) of Part I of Schedule VI to the Companies Act, 1956

| Short Term Provisions | As on | As on |
|----------------------------|---------------|---------------|
| | 31/03/2020 | 31/03/2019 |
| | Amount INR | Amount INR |
| (a) Others | | |
| Provision for property tax | 65,984 | - |
| Provision for Audit fees | 15,340 | 23,600 |
| Total | 81,324 | 23,600 |

NOTE 8 CASH AND CASH EQUIVALENTS

Disclosure pursuant to Note no. Q (i), (ii), (iii), (iv) and (v) of Part I of Schedule VI to the Companies Act, 1956

| Cash and cash equivalents | As on | As on |
|---------------------------|---------------|--------------|
| | 31/03/2020 | 31/03/2019 |
| | Amount INR | Amount INR |
| a. Cash on hand | 11,483 | 5,401 |
| Total | 11,483 | 5,401 |



ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED

(Formerly Known as Royal Spinwell Private Limited)

Calculation of Depreciation for the year 2019-20

Note No: 5

| Sr. No. | Particulars | Rate (%) | Gross Block | | Depreciation Block | | | Net Block | |
|---------|-----------------|----------|----------------------|----------------------------------|----------------------|--------------|----------------------------------|------------------|-----------------------|
| | | | As at 1st April 2019 | Addition/ (Deduction) 31/03/2020 | As at 1st April 2019 | For the year | Addition/ (Deduction) 31/03/2020 | As on 31/03/2020 | As at 31st March 2019 |
| 1 | Land (Freehold) | 0 | 25,76,054 | - | - | - | - | 25,76,054 | 25,76,054 |
| | Total | | 25,76,054 | - | - | - | - | 25,76,054 | 25,76,054 |



ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED
(Formerly Known as Royal Spinwell Private Limited)

NOTE 7 FINANCE COST

Disclosure pursuant to Note no. 3 of Part II of Schedule VI to the Companies Act, 1956

| Finance costs | As on 31/03/2020 | As on 31/03/2019 |
|---------------|---------------------|---------------------|
| | Amount INR | Amount INR |
| Bank charges | 1,988 | 815 |
| Total | 1,988 | 815 |

NOTE 8 OTHER EXPENSE

Disclosure pursuant to Note no. 3 of Part II of Schedule VI to the Companies Act, 1956

| SR No | Other expenses | As on 31/03/2020 | As on 31/03/2019 |
|--------------|------------------------------|---------------------|---------------------|
| | | Amount INR | Amount INR |
| 1. | Property and Revenue Tax | 65,984 | 69,984 |
| 2. | Filing of ROC Return expense | 3,630 | 820 |
| 3. | Audit Fees | 15,340 | 11,800 |
| 4. | Legal Expenses | 6,500 | 3,500 |
| 5. | Misc. Expenses | - | 8,916 |
| 6. | Audit fees | - | 2,360 |
| Total | | 91,454 | 97,380 |



Royal Spinwell and Developers Private Limited
(Formerly Known as Royal Spinwell Private Limited)
NOTES TO THE FINANCIAL STATEMENTS

[1] SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of preparation of financial statement:

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Policies (GAAP) under the historical cost convention on the accrual basis except for certain financial statements which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policies hitherto in use.

B. Use of estimates:

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of incomes and expenses during the period.

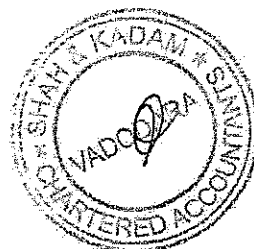
Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

C. Revenue Recognition:

There is no revenue recognized by the Company during the year.

D. Fixed Assets and Depreciation:

1. Fixed Assets are carried at cost of acquisition including incidental cost relating to acquisition, installation of these Assets. Fixed Assets are shown net of accumulated depreciation.
2. Depreciation is being provided on written down value of the Asset as prescribed in schedule II of the Companies Act, 2013.



3. Depreciation on addition to Fixed Assets is provided on pro-rata basis from the date addition as per written down value of the asset as per schedule II of the Companies Act, 2013.
4. Fixed Assets are not reviewed for impairment since in the opinion of the management. Their carrying amount is recoverable.

E. Retirement Benefits:

The Company has not complied with the valuation procedure as prescribed according to AS-15, "Accounting for Retirement Benefit" as issued by the Institute of Chartered Accountant of India.

F. Deferred Tax Assets & Liability

Due to absence of virtual/reasonable certainty (as the case may be), supported by convincing evidence that future taxable income would be available. No deferred tax has been recognized on unabsorbed depreciation and carried forward losses and temporary timing difference.

G. Inventories

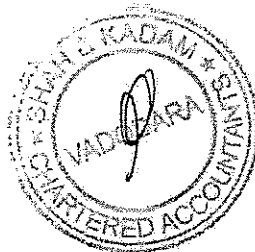
Inventories are taken as valued and certified by the management. Quantitative records are not maintained with respect of inventory.

H. Contingent Liabilities:

Contingent liabilities, which are material, have been reflected separately in the notes to account. However, no provision is made in the books of account in this respect.

III] NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2020

1. The current assets, loans and advances reflected in the Balance Sheet are in the opinion of the Management, approximately of the value realizable in the ordinary course of the business. The provision for all known liabilities is adequate and not in excess of the amounts reasonably necessary.
2. The Balance of Debtors, Creditors, Loans & Advances are subject to confirmation. Pending entries or adjustments if any are required will be passed in due course.
3. Figures are rounded off to the nearest of rupee.
4. Evidence like Stamp, receipts, vouchers, bill etc could not be produce in respect of some of the expenditure incurred. However, director has certified that all such expenses are incurred for the purpose of the business and are appropriately accounted for in the books of accounts.



5. Previous year figures have been regrouped wherever necessary to make them comparable with current year's figures.
6. Contingent liabilities in respect of statutory dues are not quantified.
7. RELATED PARTY TRANSACTION DURING THE YEAR:

| Sr. No | Name of Transaction | Amount Rs. | |
|--------|---------------------|------------|-----------|
| | | 2019-20 | 2018-19 |
| 1 | Unsecured Loan | 32,85,000 | 32,55,000 |

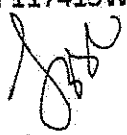
8. The SSI Status of the creditors is not known to the company hence the information is not given.

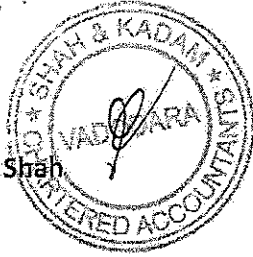
9. Payment to Auditors:

| Auditors Remuneration | 2019-20 | 2018-19 |
|-----------------------|-----------------|---------------------|
| Audit Fees | 15,340 | Rs. 11,800/- |
| For Taxation matters | | -- |
| Total | 15,340/- | Rs. 11,800/- |

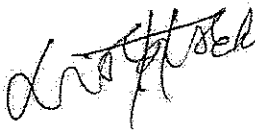
10. Figures for the previous accounting year have been re-grouped, re-arranged and reclassified wherever necessary.

FOR SHAH & KADAM
Chartered Accountants
FRN 117413W


CA Kalpesh B. Shah
Partner
MRN: 107121
UDIN: 20107121AAAAEJ8694



For Royal Spinwell and Developers Private Limited
(Formerly Known as Royal Spinwell Private Limited)


Director
Jayesh Motasha
DIN: 00054236


Director
Vinod Shah
DIN: 00054667

Place: Vadodara
Date: 18-11-2020

Royal Spinwell Private Limited

BALANCE SHEET

**FOR THE ACCOUNTING YEAR
2018 - 2019**

**FOR THE ASSESSMENT YEAR
2019 - 2020**

CHIRAG SHAH
B.Com, F.C.A., DISA(ICA)

KALPESH SHAH
B.Com, F.C.A.

ASHISH KADAM
B.Com, F.C.A.

SHAH & KADAM
CHARTERED ACCOUNTANTS

H.O. : 2nd FLOOR, SAMIR BUILDING-2, CHIKUWADI CORNER, JETALPUR ROAD, VADODARA-007.
Ph: 0265-2314415, 6538757 Email: shahandkadam@gmail.com, Website: shahandkadam.com

Branch : 509/A, ATLANTIS HEIGHTS, SARABHAI MAIN ROAD, GENDA CIRCLE, VADODARA-007.
Ph: 0265-2342807 Email: kalpeshshahica@yahoo.com, Website: shahandkadam.com

AUDITOR'S REPORT

TO,
THE MEMBERS,
ROYAL SPINWELL PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **ROYAL SPINWELL PRIVATE LIMITED** ("the Company"), which comprises the Balance Sheet as at **March 31, 2019**, the Statement of Profit and Loss for the year ended and a summary of significant accounting policies and other explanatory information.

Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date;
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Those standards require that we comply with ethical requirement and plan and perform the audit to reasonable assurance about whether the financial statement are free from material misstatement. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements: None

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

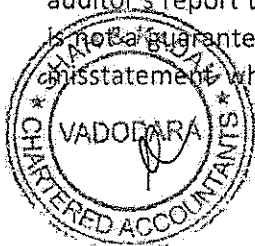
The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is responsible for assessing the ability of the company to continue as a going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

The Board of Director are responsible for overseeing the company's financial reporting process.

Auditors' Responsibility for the audit of financial statement

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.

As part of audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

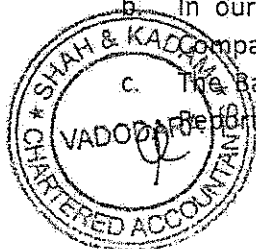
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's reports to the related disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences obtained up to the date of our auditor's report. Our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, is not applicable to the Company
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and Cash flow dealt with by this Report are in agreement with the books of account.

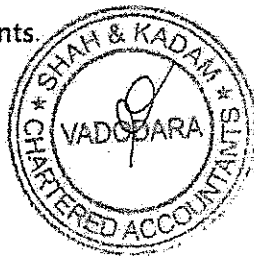


- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss comply with the Accounting Standards referred to in section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164 of the Companies Act, 2013.
- f. According to the information and explanations given to us and based on our audit, the Company has an adequate internal financial control system over financial reporting and the same were operating effectively as at 31st March, 2019.
- g. With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position.
 - The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - There has been no delay in transferring amounts, if required to be transferred, to the Investor Education and Protection Fund by the Company.
- h. with respect to the other matters to be included in the Auditor's report in accordance with the requirement of the section 197(16) of the Act, as amended, in our opinion and the best of our information and according to the explanations given to us, the company has not paid /provided any managerial remuneration during the period. Hence reporting under section 197 (16) of the act is not applicable to the company;



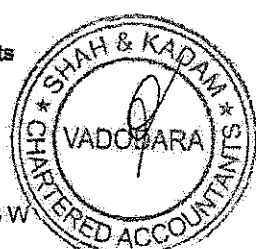

For SHAH & KADAM
Chartered Accountants
FRN 117413W


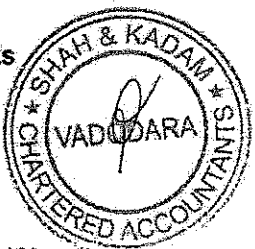




CA Kalpesh B. Shah
Partner
MRN: 107121



Place: Vadodara
Date: 02.09.2019

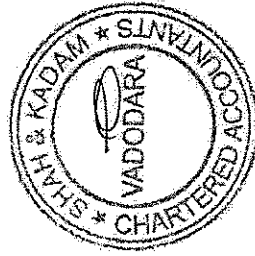
| ROYAL SPINWELL PVT LIMITED | | | | | |
|---|----------|----------------------|---|----------------------|------------------|
| Balance Sheet as at 31st March, 2019 | | | | | |
| Amount in ₹ | | | | | |
| Particulars | Note No. | As at March 31, 2019 | | As at March 31, 2018 | |
| EQUITY AND LIABILITIES | | | | | |
| Shareholders' funds | | | | | |
| Share capital | 1 | 1,00,200 | | 1,00,200 | |
| Reserves and surplus | 2 | (7,97,346) | (6,97,145) | (5,99,150) | (5,98,950) |
| Non-current liabilities | | | | | |
| Long-term borrowings | 3 | 32,55,000 | 32,55,000 | 31,65,000 | 31,65,000 |
| Current Liabilities | | | | | |
| Others | 4 | 23,600 | | 9,440 | |
| Trade Payable | | | 23,600 | 9,850 | 18,290 |
| TOTAL | | | 25,81,455 | | 25,34,340 |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Fixed assets | | | | | |
| Tangible assets | 5 | | 25,76,054 | | 25,76,054 |
| Current assets | | | | | |
| Cash and cash equivalents | 6 | | 5,401 | | 6,286 |
| TOTAL | | | 25,81,455 | | 25,34,340 |
| Significant Accounting Policies and Notes on Financial Statements | 9 | | | | |
| As per our report of even date | | | | | |
| For SHAH & KADAM Chartered Accountants | | | For ROYAL SPINWELL PVT LTD. | | |
|  | | |  | | |
| (Kalpesh B Shah) Partner M.No. 107121 Firm Regn. No. 117413 W Place : Vadodara Date : 02/09/2019 | | | Director (Vinod K Shah) 00054667 | | |
|  | | |  | | |
| | | | Director (Jayesh Motasha) 00054236 | | |

| ROYAL SPINWELL PVT LIMITED | | | |
|---|----------|--|-----------------|
| Statement of Profit and Loss Statement for the year ended 31st March, 2019 | | | |
| | | | Amount in ₹ |
| Particulars | Note No. | 2018-19 | 2017-18 |
| Revenue from Operations | 7 | - | - |
| Revenue from Operations (Net) | | - | - |
| Other income | | - | - |
| Total Income | | - | - |
| Expenses: | | | |
| Other Expenses | 8 | 95,835 | 44,820 |
| Total expenses | | 95,835 | 44,820 |
| Loss for the year | | (95,835) | (44,820) |
| Prior Year Items | | (2,360) | (1,770) |
| | | (98,195) | (46,590) |
| Earnings per equity Share of Face Value of ₹ 10/- Basic & Diluted | | (9.80) | (4.65) |
| Significant Accounting Policies and Notes on Financial Statements | 9 | | |
| As per our report of even date | | | |
| For SHAH & KADAM Chartered Accountants  (Kalpesh B. Shah) Partner M.No. 107121 Firm Regn. No. 117412 W Place : Vadodara Date : 02/09/2019 | |  | |
| | | For ROYAL SPINWELL PVT LTD.  Director (Vinod K Shah) 00054667 | |
| | |  Director (Jayesh Motasha) 00054236 | |

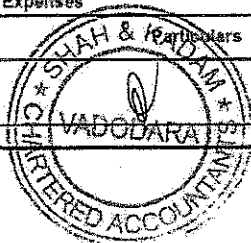
ROYAL SPINWELL PVT LTD.

05. FIXED ASSETS

| Fixed Assets Particulars | Gross Block | | | | Accumulated Depreciation | | | | Net Block | |
|-----------------------------|-------------------------|---------------------------|-----------|--------------------------|--------------------------|---|--------------------------------------|-----------------|--------------------------|--------------------------|
| | As at 1st April 2018 | Additions for the year | Disposals | As at 31st March 2019 | As at 1st April 2018 | Depreciation charged for the year | Adjustment due to revaluations | On disposals | As at 31st March 2019 | As at 31st March 2018 |
| A Tangible Assets | | | | | | | | | | |
| Land (Freehold) | 25,76,054 | - | - | 25,76,054 | - | - | - | - | 25,76,054 | 25,76,054 |
| Total | 25,76,054 | - | - | 25,76,054 | - | - | - | - | 25,76,054 | 25,76,054 |



| ROYAL SPINWELL PVT LTD. | | |
|---|--|--|
| Notes on Financial Statements for the year ended 31st March, 2019 | | |
| 1. Share Capital | | |
| | Amount in ₹ | |
| Particulars | As at March 31, 2019 | As at March 31, 2018 |
| Authorised : | | |
| 1,00,000 (Previous year 1,00,000) Equity Shares of ₹ 10/- each | 10,00,000 | 10,00,000 |
| Issued, Subscribed & Paid up | | |
| 10,020 (Previous Year 10,020) Equity Shares of ₹ 10/- each fully paid up | 1,00,200 | 1,00,200 |
| Total | 1,00,200 | 1,00,200 |
| 2. Reserves & Surplus | | |
| | Amount in ₹ | |
| Particulars | As at March 31, 2019 | As at March 31, 2018 |
| a. Surplus/Deficit in the statement of Profit & Loss | | |
| Opening Balance | -8,99,150 | -8,52,580 |
| Add : Loss for the year | -98,195 | -46,590 |
| | -7,97,345 | -6,99,150 |
| Total | -7,97,345 | -6,99,150 |
| 3. Long Term Borrowings | | |
| | Amount in ₹ | |
| Particulars | As at March 31, 2019 Non Current | As at March 31, 2018 Non Current |
| From Directors Jayesh Motasha | 1,30,000 | 60,000 |
| From Directors Vinod K Shah | 31,25,000 | 31,05,000 |
| Total | 32,55,000 | 31,65,000 |
| 4. Current Liabilities :- Others | | |
| | Amount in ₹ | |
| Particulars | As at March 31, 2019 | As at March 31, 2018 |
| Provision for Audit fees | 23,600 | 9,440 |
| Total | 23,600 | 9,440 |
| 6. Cash and Bank Balances | | |
| | Amount in ₹ | |
| Particulars | As at March 31, 2019 | As at March 31, 2018 |
| a). Balance with bank | 5,401 | 8,286 |
| Total | 5,401 | 8,286 |
| 8. Other Expenses | | |
| | Amount in ₹ | |
| Particulars | As at March 31, 2019 | As at March 31, 2018 |
| Property and Revenue Tax | 69,984 | 6,050 |
| Filing of ROC Return expense | 620 | 620 |
| Audit Fees | 11,800 | 9,440 |
| Legal Expenses | 3,500 | 27,815 |
| Misc. Expenses | 8,918 | - |
| Bank Charges | 815 | 595 |
| Total | 95,835 | 44,820 |
| Perio Period Expenses | | |
| | Amount in ₹ | |
| Particulars | As at March 31, 2019 | As at March 31, 2018 |
| Audit Fees | 2,360 | 1,770 |
| Total | 2,360 | 1,770 |



ROYAL SPINWELL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

[I] SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of preparation of financial statement:

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Policies (GAAP) under the historical cost convention on the accrual basis except for certain financial statements which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policies hitherto in use.

B. Use of estimates:

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of incomes and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

C. Revenue Recognition:

There is no revenue recognized by the Company during the year.

D. Fixed Assets and Depreciation:

1. Fixed Assets are carried at cost of acquisition including incidental cost relating to acquisition, installation of these Assets. Fixed Assets are shown net of accumulated depreciation.
2. Depreciation is being provided on written down value of the Asset as prescribed in schedule II of the Companies Act, 2013.
3. Depreciation on addition to Fixed Assets is provided on pro-rata basis from the date addition as per written down value of the asset as per schedule II of the Companies Act, 2013.

Fixed Assets are not reviewed for impairment since in the opinion of the management. Their carrying amount is recoverable.



E. Retirement Benefits:

The Company has not complied with the valuation procedure as prescribed according to AS-15, "Accounting for Retirement Benefit" as issued by the Institute of Chartered Accountant of India.

F. Deferred Tax Assets & Liability

Due to absence of virtual/reasonable certainty (as the case may be), supported by convincing evidence that future taxable income would be available. No deferred tax have been recognized on unabsorbed depreciation and carried forward losses and temporary timing difference.

G. Inventories

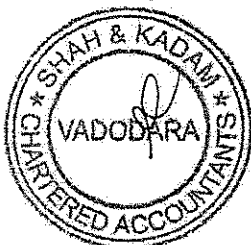
Inventories are taken as valued and certified by the management. Quantitative records are not maintained with respect of inventory.

H. Contingent Liabilities:

Contingent liabilities, which are material, have been reflected separately in the notes to account. However, No provision is made in the books of account in this respect.

III] NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

1. The current assets, loans and advances reflected in the Balance Sheet are in the opinion of the Management, approximately of the value realizable in the ordinary course of the business. The provision for all known liabilities is adequate and not in excess of the amounts reasonably necessary.
2. The Balance of Debtors, Creditors, Loans & Advances are subject to confirmation. Pending entries or adjustments, if any are required will be passed in due course.
3. Figures are rounded off to the nearest of rupee.
4. Evidence like Stamp, receipts, vouchers, bill etc could not be produce in respect of some of the expenditure incurred. However director has certified that all such expenses are incurred for the purpose of the business and are appropriately accounted for in the books of accounts.
5. Previous year figures have been regrouped wherever necessary to make them comparable with current year's figures.
6. Contingent liabilities in respect of statutory dues are not quantified.



7. RELATED PARTY TRANSACTION DURING THE YEAR:

| Sr. No | Name of Transaction | Amount Rs. | Amount Rs. |
|--------|---------------------|------------|------------|
| | | 2018-19 | 2017-18 |
| 1 | Unsecured Loan | 32,55,000 | 31,65,000 |

8. The SSI Status of the creditors is not known to the company hence the information is not given.

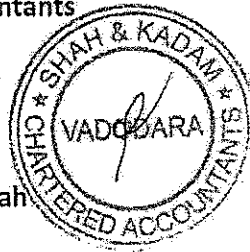
9. Payment to Auditors:

| Auditors Remuneration | 2018-19 | 2017-18 |
|-----------------------|-----------------|-------------------|
| Audit Fees | 11,800 | Rs. 9440/- |
| For Taxation matters | | -- |
| Total | 11,800/- | Rs. 9440/- |

10. Figures for the previous accounting year have been re-grouped, re-arranged and reclassified wherever necessary.

FOR SHAH & KADAM
Chartered Accountants
FRN 117413W

CA Kalpesh B. Shah
Partner
MRN: 107121



For Royal Spinwell Private Limited

Director
Name: Jayesh Motasha
DIN: 00054236

Director
Name: Vinod Shah
DIN: 00054667

Place: Vadodara
Date: 02.09.2019

MANAGEMENT REPRESENTATION

To,
SHAH & KADAM
Chartered Accountants,
Vadodara

Subject: Audit for the period from 01-04-2018 to 31-03-2019

Dear Sir,

With reference to the above subject, this representation letter is being provided in connection with your audit of financial statements of **Royal Spinwell Private Limited** for the financial year ended on 31-03-2019 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of financial position of **Royal Spinwell Private Limited** as of 31st March, 2019 and the results of its operations for the year ended on that date.

We acknowledge our responsibility for the fair preparation of financial statements in accordance with the legal requirements of the Companies Act, 2013 and recognized accounting policies and practices, including the accounting standards issued by the Institute of Chartered Accountants of India.

We confirm, to the best of our knowledge and belief the following representations:

1. Accounting Policies:

The accounting policies which are material or critical in determining the results of the operations for the period of financial position are set in the financial statements and are consistent with those adopted in the financial statements for the previous year. The financial statements are prepared on accrual basis.

2. Share Capital: The company has not made any preferential allotment of share during the year to the parties and companies covered in the register maintained under the companies act 1956 & 2013. The company has not granted any options, warrants or conversation right in respect of the company's capital except as disclosed in the financial statement.

The company has not issued any right share during the year.

3. Secured and Unsecured Loans

The Company has obtained the loans during the year.

The Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders.

The Company has not accepted any deposits from the public during the year.

4. Fixed Assets:

The fixed assets held by company have been properly accounted and have been physically verified at the year end. No discrepancies are noticed on such verification. Depreciation on these assets have been adequately provided as per policy of company.

The company has not disposed off any substantial part of the fixed assets during the year.

5. Capital Commitments:

At the balance sheet date, there were neither outstanding commitments for capital expenditure nor any contingent liabilities in nature excepting those disclosed in the financial statements.

6. Inventories:

Inventory has been verified on regular basis and no material discrepancy found. Other irregularities are rectified and are tallied with stock register maintained by the company.

7. Investments

The Company does not have any current Investment during the year.

The Company has not sold any shares, debentures and other securities at a price less than at which they were purchased by the Company.

8. Cash and Bank Balances:

We confirm that Bank balances which are shown in balance sheet are reconciled. The following items are appearing in the books as at 31st March, 2019:

| Particulars | Balance as on 31 st March, 2019 |
|-------------------|--|
| Cash in hand | Nil |
| Balance with bank | Rs. 5,401 |

9. Liabilities:

We have recorded all known liabilities in the financial statements and there is no contingent liability of the firm as at 31st March, 2019.

10. Profit and Loss Account:

Except as disclosed in the financial statements, the results for the period were not materially affected by:

- a. Transactions of a nature not usually undertaken by the Company;
- b. Circumstances of an exceptional or non-recurring nature;

11. General:

- (a) The debtors, Loans and advances are considered as good and recoverable.
- (b) This financial statement is free of material misstatements, including omissions.
- (c) No Personal expenses of the directors have been debited to the profit and loss accounts.
- (d) The business transacted by the company with the customers is not detrimental to the interest of the business and none of the directors or person as stated in register maintained under section 189 of the Companies Act, 2013 are interested in any transaction.
- (e) The company has not accepted any deposits in contravention of section 76 of the Companies Act, 2013.
- (f) None of the directors are disqualified from being appointed as director under section 164 of the companies Act, 2013.
- (g) During the year, No fraud on or by the company has been reported or noticed.
- (h) The company is going concern as on the date.
- (i) No payments relating to any expenditure covered under section 40A (3) are made otherwise by account payee cheques or account payee bank draft.

FOR AND ON BEHALF OF

ROYAL SPINWELL PRIVATE LIMITED


DIRECTOR

NAME: Jayesh Motasha

DIN: 00054236

PLACE: VADODARA

DATE: 02.09.2019

BIPIN & CO.
CHARTERED ACCOUNTANTS



CA. TEJAS PUROHIT F.C.A., DISA, M. Com. 98257 88699
 CA. DHARIT K. SHAH F.C.A., LL.B., B. Com. 94273 41134
 CA. AMIT D. SHAH F.C.A., D.T.P., B. Com 94263 13900
 CA. SURESH SISODIA F.C.A., A.C.S., LL.B 98251 56037

To,
 The Board of Directors,
Royal Cushion Vinyl Products Limited
 60CD "Shlok", Government Industrial Estate,
 Charkop, Kandivali (West),
 Mumbai 400067,
 Maharashtra, India.

Independent Auditor's Certificate certifying the proposed accounting treatment in the books of Royal Cushion Vinyl Products Limited as mentioned in Clause 13 of the Draft Scheme of Arrangement

1. We, Bipin & Co., Chartered Accountants, the statutory auditors of Royal Cushion Vinyl Products Limited ("Transferee Company"/ "Company") have examined the proposed accounting treatment as specified in Clause 13(reproduced as an 'Annexure A' to this certificate, as provided by the Transferee Company)of the Draft Scheme of Arrangement in the nature of merger / amalgamation of Royal Spinwell and Developers Private Limited ("Transferor Company") with Royal Cushion Vinyl Products Limited ("Transferee Company") and their respective shareholders and creditors ("Scheme") under Sections 230 to 232 of the Companies Act, 2013 read with applicable rules made thereunder, with reference to its compliance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other Generally Accepted Accounting Principles.

Management's Responsibility

2. The responsibility for the preparation of the Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved.

Auditor's Responsibility

3. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards notified under the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity as the statutory auditors of any financial statements of the Company.
4. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

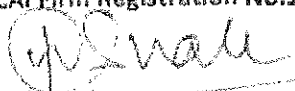
Opinion

5. Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid clause of the Scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and all the applicable Accounting Standards notified by the Central Government under Section 133 of the Companies Act, 2013.

Restriction on use

6. This Certificate is issued at the request of Royal Cushion Vinyl Products Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for onward submission by the Company to BSE Limited ("BSE"). This Certificate should not be used for any other purpose without our prior written consent.

For Bipin & Co.
Chartered Accountants
ICAI Firm Registration No.101509W


Amit Shah
Partner
Membership No. 126337



Place: Vadodara

Date: 24/1/2022

DIN: 22126337AAAAAV9322

Annexure A

Relevant extract of Clause 13 of the Draft Scheme of Arrangement in the nature of merger / amalgamation of Royal Spinwell and Developers Private Limited ("Transferor Company") with Royal Cushion Vinyl Products Limited ("Transferee Company") and their respective shareholders and creditors ("Scheme") under Sections 230 to 232 of the Companies Act, 2013 read with applicable rules made thereunder.

"Clause 13

- 13.1 *Upon the effectiveness of this Scheme and with effect from the Appointed Date, the Transferee Company shall account for the merger / amalgamation in its books as per applicable accounting principles prescribed under Appendix C to Indian Accounting Standard (Ind AS) 103 "Business Combinations" prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 read with relevant clarifications issued by the Ind AS Transition Facilitation Group (ITFG) of the Institute of Chartered Accountants of India and other generally accepted accounting principles in India.*
- 13.2 *The Transferee Company shall upon the Scheme coming into effect and with effect from the Appointed Date, record all the assets, liabilities and reserves, if any, of the Transferor Company vested in it pursuant to this Scheme at the respective book values thereof appearing in the books of the Transferor Company.*
- 13.3 *The identity of the reserves of the Transferor Company shall be preserved and the Transferee Company shall record the reserves of the Transferor Company in the same form and at the same values as they appear in the financial statements of the Transferor Company.*
- 13.4 *The difference, if any, between the amount recorded as total share capital issued by the Transferee Company (viz. aggregate face value of RCVPL New Shares issued in terms of Clause 12.1 above) and the amount of share capital of the Transferor Company shall be transferred to capital reserve (i.e. debited or credited, as the case may be) and such capital reserve shall be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.*
- 13.5 *Pursuant to the Scheme, the inter-company transactions and balances between the Transferee Company and the Transferor Company, if any, shall stand cancelled and there shall be no further obligation in that behalf.*
- 13.6 *The Transferee Company shall pass such further accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India."*



Royal Cushion Vinyl Products Limited
 Cin no: L24110MH1983PLC031395
 "Shlok" 60 – CD,
 Govt. Industrial Estate, Charkop,
 Kandivali (W), Mumbai – 400 067
 Tel: + 91 22 32655828, 28603514, 16
 Website: www.rcvp.in


January 25, 2022

Compliance Report as per requirement specified in SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 dated November 23, 2021 ("SEBI Scheme Circular")

It is hereby certified that the draft Scheme of Arrangement of in the nature of merger / amalgamation of Royal Spinwell and Developers Private Limited ("Transferor Company") with Royal Cushion Vinyl Products Limited ("Transferee Company") and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 read with applicable rules made thereunder ("Scheme"), does not, in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and SEBI Scheme Circular referred above, including the following:

| Sr. No. | Reference | Particulars |
|---|--|---|
| 1. | Regulations 17 to 27 of the LODR Regulations | Corporate Governance Requirements |
| 2. | Regulation 11 of LODR Regulations | Compliance with Securities Laws |
| Requirements of the aforesaid circular | | |
| (a) | Para (I)(A)(2) | Submission of documents to Stock Exchange |
| (b) | Para (I)(A)(3) | Conditions for schemes of arrangement involving unlisted entities |
| (c) | Para (I)(A)(4)(a) | Submission of Valuation Report |
| (d) | Para (I)(A)(5) | Auditors certificate regarding compliance with Accounting Standards |
| (e) | Para (I)(A)(10) | Provision of approval of public shareholders through e-voting |

For Royal Cushion Vinyl Products Limited


Deepthi Parekh
 Company Secretary

For Royal Cushion Vinyl Products Limited

MAHESH KANTILAL SHAH
 Digitally signed by MAHESH KANTILAL SHAH
 Date: 2022.01.25 11:03:03 +05'30'
Maresh K. Shah
 Managing Director

Certified that the transactions / accounting treatment provided in the draft Scheme involving Royal Spinwell and Developers Private Limited and Royal Cushion Vinyl Products Limited are in compliance with all the Accounting Standards applicable to a listed entity.

For Royal Cushion Vinyl Products Limited

VIVEK DEEPAK MOTASHA
 Digitally signed by VIVEK DEEPAK MOTASHA
 Date: 2022.01.25 11:03:03 +05'30'

Vivek Motasha
 Chief Financial Officer

For Royal Cushion Vinyl Products Limited

MAHESH KANTILAL SHAH
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 Date: 2022.01.25 11:03:03 +05'30'
Maresh K. Shah
 Managing Director

REPORT OF THE COMMITTEE OF INDEPENDENT DIRECTORS OF ROYAL CUSHION VINYL PRODUCTS LIMITED FOR RECOMMENDING THE DRAFT SCHEME OF ARRANGEMENT AMONGST ROYAL SPINWELL AND DEVELOPERS PRIVATE LIMITED AND ROYAL CUSHION VINYL PRODUCTS LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS AT ITS MEETING HELD ON JANUARY 4, 2022

Members Present:

1. Mrs. Avani Pandit– Chairman
2. Mrs. Harsha Shah – Member

1. Background

- 1.1. The Proposal to consider and recommend draft Scheme of Arrangement in the nature of merger / amalgamation of Royal Spinwell and Developers Private Limited (“**Transferor Company**”) with Royal Cushion Vinyl Products Limited (“**Transferee Company**” / “**Company**”) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 read with applicable rules made thereunder (“**Scheme**”) was placed before and considered by members of the Committee of Independent Directors of the Transferee Company at its meeting held on January 4, 2022.
- 1.2. The Equity Shares of RCVPL are listed on BSE Limited (“**BSE**”). The Company will be filing the Scheme along with the necessary documents / information with the BSE for their No Objection or No Observation Letter pursuant to Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI LODR Regulations**”) and applicable statutory provisions.
- 1.3. The Report of the Committee of Independent Directors of the Transferee Company of is made to comply with the requirements of SEBI LODR Regulations and master circular in relation to scheme of arrangement issued by SEBI having No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 covering all circulars issued by SEBI in relation to scheme of arrangement including any amendments or modifications thereof, and any other circular issued pursuant to Regulations 11, 37 and 94 of SEBI LODR Regulations (“**SEBI Master Circular**”), considering following:
 - i. Draft Scheme of Arrangement, duly initialed by the director of the Company for the purpose of identification;
 - ii. Valuation Report dated December 31, 2021 issued by CA Mayur Popat, an independent registered valuer (Registration No. IBBI / RV / 006 / 2019 / 11173) (“**Registered Valuer**”) appointed for recommending the fair share exchange ratio for the purpose of this Scheme;

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- iii. Fairness Opinion Report dated January 4, 2022 issued by Khambatta Securities Limited Category I SEBI Registered Merchant Banker (Registration No. INM000011914) providing fairness opinion ("Fairness Opinion") on the share exchange ratio recommended in the Valuation Report issued by Registered Valuer; and
- iv. Draft certificate to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013, from the Statutory Auditors of the Transferee Company i.e., Bipin & Co., Chartered Accountants (Firm's Registration No. 101509W).

2. Proposed Scheme

- 2.1. The Scheme, inter-alia, provides the following:
 - i. amalgamation / merger of Royal Spinwell and Developers Private Limited with Royal Cushion Viny Products Limited; and
 - ii. Various other matters consequential or otherwise integrally connected herewith
- 2.2. Appointed Date of the Scheme is October 01, 2021.
- 2.3. The Effective Date for the Scheme means the day on which last of the conditions specified in Clause 21 of the Scheme are complied with.
- 2.4. The Scheme would be subject to the sanction or approval of the National Company Law Tribunal, SEBI, Stock Exchanges, Shareholders, Creditors and other Appropriate Authorities (as defined in the Scheme).

3. Need for the merger and Rationale of Scheme

- 3.1. The Transferor Company was incorporated with an object to primarily engage in the business of manufacturing and trading in yarn, fibers and textiles. The Transferee Company is engaged in the business of manufacture and supplying of PVC floor covering, PVC sheets and PVC leathercloth. Both the Companies are managed and operated by the same set of controlling shareholders group.
- 3.2. RCVPL has a manufacturing plant / factory located at Garadhiya, Taluka Savli, District Vadodara, Gujarat on a part of the larger piece and parcel of land (referred to as the "RCVPL Larger Land"). The said manufacturing plant / factory is set-up on a small part of the said Larger Land (referred to as the "RCVPL Larger Land in Use") and the balance area of the said RCVPL Larger Land apart from the RCVPL Larger Land in Use is vacant and surplus (referred to as the "RCVPL Surplus Land").
- 3.3. The management of RCVPL has been exploring and evaluating to sell and monetise the surplus assets of RCVPL which includes RCVPL Surplus Land, which are not being used

for its core business operations with an intent to generate funds which can be better deployed in its core business operations. In this regard, RCVPL has recently entered into a Memorandum of Understanding ('MOU') with a party ('Other Party to the MOU') who has expertise to sell and market industrial land parcels / plots whereby certain common minimum arrangement was agreed upon in relation to sale of RCVPL Surplus Land to ultimate interested buyers, who may be introduced by the Other Party to the MOU.

- 3.4. RSDPL is a group company of RCVPL and is related to the promoter and promoter group of RCVPL. RSDPL also owns and possesses a vacant piece and parcel of land at Garadhiya, Taluka Savli, District Vadodara, Gujarat, which is adjoining to and adjacent to RCVPL Larger Land (referred to as the "RSDPL Land"). RSDPL has also been exploring and looking to find suitable buyers / interested parties who are willing to purchase the RSDPL Land either in entirety or in parts at attractive market rates to maximise the monetisation from the surplus assets.
- 3.5. In the stated background and in order to consolidate the adjoining land parcels, namely RCVPL Surplus Land and RSDPL Land, owned by both the companies viz. RCVPL and RSDPL, with an objective to be in a better position to negotiate, market and monetise the consolidated larger land parcels to realise its full potential in an efficient and optimum manner including by way of joint-development, co-development, industrial plotting, outright sale etc., the management of RCVPL and RSDPL has proposed a scheme of arrangement under the provisions of the section 230 to 232 of the Companies Act, 2013 to provide for the merger of RSDPL into RCVPL.
- 3.6. The Scheme provides an opportunity to RCVPL to acquire and aggregate the RSDPL Land along with RCVPL Surplus Land to create a larger pool of land which can be monetised and marketed at better commercial considerations and at the same time, discharge the consideration for acquisition / aggregation of RSDPL Land through merger of RSDPL into RCVPL in non-monetary form by issue of its securities to the shareholders of RSDPL.
- 3.7. Further, merger of RSDPL with RCVPL will lead to a more efficient utilization, exploitation and monetisation of larger land parcel, better realisation of the cash / funds which would be generated from such monetisation of assets and larger pool of funds which can be better deployed for further business operations.
- 3.8. The merger of Companies will also provide ancillary benefits in the form of administrative and operational rationalization and promote organizational efficiencies with the achievement of greater economies of scale, reduction in overheads and improvement in various other operating parameters including administrative, managerial and other expenditure, and optimal utilization of resources by elimination of duplication of activities and related costs.

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3.9. Thus, with an intent to achieve aforesaid objectives and further in order to consolidate, streamline and effectively merge the Transferor Company and the Transferee Company in a single entity, it is intended that the Transferor Company be merged / amalgamated with the Transferee Company

4. Impact of the Scheme on the shareholders of the Company on amalgamation with Transferee Company

4.1. Pursuant to the Scheme, shares of the Transferee Company are proposed to be issued to the shareholders of the Transferor Company on the basis of share exchange ratio, as recommended by the Registered Valuer. Further, the Fairness Opinion report from Merchant Banker has confirmed that the share exchange ratio as recommended by the Registered Valuer is fair for both the Companies and their respective shareholders.

4.2. The Scheme has been drafted keeping in mind the provisions of section 2(1B) of the Income Tax Act, 1961 and therefore it may not have any adverse tax implications.

4.3. The Scheme is expected to be beneficial to the Companies and its shareholders and all other stakeholders in large and is not detrimental to any of the shareholders of the Company.

5. Synergies of business of the entities involved in the Scheme

As elaborated in the rationale of the Scheme, the amalgamation of the Transferor Company with the Transferee Company provides an opportunity to the Transferee Company to acquire and aggregate the RSDPL Land along with RCVPL Surplus Land to create a larger pool of land which can be monetised and marketed at better commercial considerations and at the same time, discharge the consideration for acquisition / aggregation of RSDPL Land through merger of RSDPL into RCVPL in non-monetary form by issue of its securities to the shareholders of RSDPL. Therefore, merger of RSDPL with RCVPL will lead to a more efficient utilization, exploitation and monetisation of larger land parcel, better realisation of the cash / funds which would be generated from such monetisation of assets and larger pool of funds which can be better deployed for further business operations. Also, it will result into more productive and optimum utilization of various resources by pooling of the managerial, technical and financial resources, economy of scales, reduction in overheads including administrative, managerial and other expenditure, operational rationalization, organizational efficiency and optimal utilization of resources by elimination of unnecessary duplication of activities and related costs.

6. Cost benefit analysis of the Scheme

Keeping in view of synergies and the cost benefits expected (refer clause 3 above) the Committee of Independent Directors is of the view that the proposed Scheme of

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Arrangement will provide may benefits to the Transferee Company including acquisition of adjoining land parcel viz. RSDPL Land without requiring immediate outflow of cash resources as the consideration is proposed to be discharged by issue of shares of the Transferee Company, while there would be non-material procedural costs to be expended by the Transferee Company to implement the Scheme proposal. Thus, considering all aspects, the Committee of Independent Directors is of the considered view that benefits would outweigh the costs.

7. Recommendations of the Committee of Independent Directors

The Committee of Independent Directors after due deliberations and due consideration of all the terms of the draft Scheme, Valuation Report, Fairness Opinion Report and in view of above points, recommends the Draft Scheme for favourable consideration by the Board of Directors of the Company, the BSE, and SEBI and other statutory or regulatory authorities.

By Order of the Committee of Independent Directors

For and on behalf of **Royal Cushion Vinyl Products Limited**

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Avani Pandit

Chairman of the Committee of Independent Directors

DIN: 08386003

Place: Mumbai

Date: January 25, 2022

BIPIN & Co.
CHARTERED ACCOUNTANTS



CA. TEJAS PUROHIT F.C.A., D.S.A., M. Com. 98257 68699
CA. DHARIT K. SHAH F.C.A., LL.B., B. Com. 94273 41134
CA. AMIT D. SHAH F.C.A., D.T.P., B. Com. 94263 13900
CA. SURESH SISODIA F.C.A., A.C.S., LL.B. 98251 56037

To,
The Board of Directors,
Royal Cushion Vinyl Products Limited
60CD "Shlok", Government Industrial Estate,
Charkop, Kandivali (West),
Mumbai 400067,
Maharashtra, India.

Subject: Independent Auditor's Certificate on compliance for pricing of equity shares in accordance with Regulation 165 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

1. We, Bipin & Co., Chartered Accountants, the statutory auditors of Royal Cushion Vinyl Products Limited ("RCVPL" / "Company") have been requested by the Company to certify on compliance for the pricing of shares in terms of Regulation 165 of the Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, ("SEBI ICDR Regulations") read with Securities and Exchange Board of India Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 in relation to the scheme of arrangement ("SEBI Scheme Circular"), based on the valuation report issued by an independent Registered Valuer. The said shares are proposed to be issued and allotted to the shareholders of Royal Spinwell and Developers Private Limited pursuant to the Scheme of Arrangement in nature of merger / amalgamation of Royal Spinwell and Developers Private Limited ("RSDPL" / "Transferor Company") with Royal Cushion Vinyl Products Limited ("Transferee Company") and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 read with applicable rules made thereunder ("Scheme"). This certificate is required by RCVPL for the submission to the BSE Limited ("BSE") and if required, to Securities and Exchange Board of India ("SEBI") and other regulatory authorities.

Management's Responsibility

2. The management of the Company is responsible to ensure compliance of the pricing of shares, based on the valuation report issued by an Independent Registered Valuer, in terms of the SEBI ICDR Regulations read with SEBI Scheme Circular and its compliance with the relevant laws and regulations, including the requirements of SEBI ICDR Regulations.
3. This responsibility of the management includes design, implementation and maintenance of relevant internal control and applying an appropriate basis of preparation; and making estimates that are reasonable in circumstances. The responsibility also includes maintenance of all accounting and other relevant supporting records and documents. The management is responsible for ensuring that the Company complies with the requirements of SEBI ICDR Regulations read with SEBI Scheme Circular.
4. Further, the management of the Company is also responsible for:

- a. Determining the relevant date i.e. January 04, 2022, being the date of meeting in which Board of Directors of the Company approved the Schemes per SEBI ICDR Regulations read with SEBI Scheme Circular; and
- b. Determining the price which is in accordance with Regulation 165 of SEBI ICDR Regulations.

Auditor's Responsibility

5. Pursuant to the requirements of the SEBI ICDR Regulations and SEBI Scheme Circular, it is our responsibility to provide a reasonable assurance in the form of an opinion whether the pricing of the shares proposed to be issued pursuant to the Scheme is in accordance with the requirements of Regulation 165 of the SEBI ICDR Regulations read with SEBI Scheme Circular.
6. Our scope of work did not include verification of compliance with other requirements of the SEBI ICDR Regulations, other circulars, notifications, etc. as issued by relevant regulatory authorities from time to time, and any other laws and regulations applicable to the Company.
7. A reasonable assurance engagement includes performing procedures to obtain sufficient and appropriate audit evidence on the reporting criteria mentioned above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the reporting criteria. Accordingly, we have performed the following procedures in order to verify the compliance with Regulation 165 of the SEBI ICDR Regulations:
 - a. Obtained a certified copy of the resolution passed at the meeting held on January 04, 2022 for the approval of the Scheme.
 - b. Obtained the report issued by an Independent Registered Valuer for the recommendation of share exchange ratio for the proposed allotment of shares pursuant to the Scheme based on the requirements mentioned in Regulation 165 of the SEBI ICDR Regulations read with SBI Scheme Circular.
 - c. Performed necessary inquiries with, and obtained necessary representation from, the management of the Company, in this regard.
8. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
9. We have complied with the relevant applicable requirements of the Standard of Quality Control (SQC) 1, Quality Control for firms that Perform Audit and Reviews of Historical Financial Information, and Other Assurance Related Services Engagements.

Opinion

10. Based on the procedures performed by us as above and as per the information and explanations given to us, in our opinion, as the shares of the Company are not frequently traded, the Company has obtained a valuation report from an Independent Registered Valuer who has duly considered the customary valuation approaches and valuation methods in determining the relative fair value of equity shares of the Companies and complied with Regulation 165 of the SEBI ICDR Regulations read with SEBI Scheme Circular. The copy of the said valuation report as provided by an Independent Registered Valuer is enclosed as 'Annexure A' to this certificate.

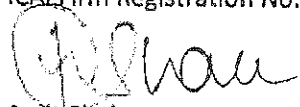
Restriction on use

11. This Certificate is issued at the request of the Company, solely for the purpose for the compliance of the requirement of SEBI ICDR Regulations read with SEBI Scheme Circular, for onward submission by the Company to BSE and is not intended to or does not provide any assurance to the Company or to any person that the price determined by the Company is or could be representative of the fair value of the shares. This Certificate should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Bipin & Co.

Chartered Accountants

ICAI Firm Registration No.101509W



Amit Shah

Partner

Membership No. 126337



Place: Vadodara

Date: 24/1/2022

UDIN: 22126337AAAAAT5821

Enclosure: As above.

Annexure A

Valuation Report is already enclosed as Annexure C1 - Refer Pg no 30
to 56

Royal Cushion Vinyl Products Limited

Cin no: L24110MH1983PLC031395

"Shlok" 60 - CD,

Govt. Industrial Estate, Charkop,

Kandivali (W), Mumbai - 400 067

Tel: + 91 22 32655828, 28603514, 16

Website: www.rcvp.in

January 25, 2022

Brief particulars of the transferee and transferor companies

| Particulars | Transferee Company | Transferor Company |
|---|---|---|
| Name of the company | Royal Cushion Vinyl Products Limited | Royal Spinwell and Developers Private Limited |
| Date of Incorporation & details of name changes, if any | <ul style="list-style-type: none"> • Date of Incorporation: 21/11/1983 • The Transferee Company was incorporated on November 21, 1983 under the provisions of the Companies Act, 1956 as a Private Limited Company in the State of Maharashtra under the name and style of "Royal Cushion Vinyl Products Private Limited". Subsequently, in terms of special resolution passed by the members of the Transferee Company in its Extra Ordinary General Meeting ("EGM") held on September 21, 1992 and upon approval granted by the Registrar of Companies, Maharashtra on January 18, 1993, the Transferee Company was converted into a Public Limited Company and pursuant thereto, its name was changed to "Royal Cushion Vinyl Products Limited". | <ul style="list-style-type: none"> • Date of Incorporation: 28/06/1991 • The Transferor Company was incorporated on June 28, 1991 under the provisions of the Companies Act, 1956 as a Private Limited Company in the State of Maharashtra under the name and style of "Royal Spinwell Private Limited". Subsequently, the name of the Transferor Company was changed to its present name of "Royal Spinwell and Developers Private Limited" by a special resolution passed by the members of the Transferor Company in its EGM held on January 06, 2020. |
| Registered Office | 60CD "Shlok", Government Industrial Estate Charkop, Kandivali (West), Mumbai 400067, Maharashtra India. | 60CD "Shlok" Government Industrial Estate Charkop, Kandivali (West), Mumbai 400067, Maharashtra India. |
| Brief particulars of the scheme | The Scheme of Arrangement ("Scheme") is presented under Section 232 read with Section 230 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder including any statutory modifications or re-enactments thereof, if any, for the amalgamation / merger of Royal Spinwell and Developers Private Limited ("Transferor Company") with Royal Cushion Vinyl Products Limited ("Transferee Company") and other | |

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Royal Cushion Vinyl Products Limited

Cin no: L24110MH1983PLC031395

"Shlok" 60 - CD,

Govt. Industrial Estate, Charkop,

Kandivali (W), Mumbai - 400 067

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|--------------------------|---|
| | ancillary and incidental matters thereto. |
| Rationale for the scheme | <p>A. The Transferor Company was incorporated with an object to primarily engage in the business of manufacturing and trading in yarn, fibers and textiles. The Transferee Company is engaged in the business of manufacture and supplying of PVC floor covering, PVC sheets and PVC leathercloth. Both the Companies are managed and operated by the same set of controlling shareholders group.</p> <p>B. RCVPL has a manufacturing plant / factory located at Garadhiya, Taluka Savli, District Vadodara, Gujarat on a part of the larger piece and parcel of land (referred to as the "RCVPL Larger Land"). The said manufacturing plant / factory is set-up on a small part of the said Larger Land (referred to as the "RCVPL Larger Land in Use") and the balance area of the said RCVPL Larger Land apart from the RCVPL Larger Land in Use is vacant and surplus (referred to as the "RCVPL Surplus Land").</p> <p>C. The management of RCVPL has been exploring and evaluating to sell and monetise the surplus assets of RCVPL which includes RCVPL Surplus Land, which are not being used for its core business operations with an intent to generate funds which can be better deployed in its core business operations. In this regard, RCVPL has recently entered into a Memorandum of Understanding ('MOU') with a party ('Other Party to the MOU') who has expertise to sell and market industrial land parcels / plots whereby certain common minimum arrangement was agreed upon in relation to sale of RCVPL Surplus Land to ultimate interested buyers, who may be introduced by the Other Party to the MOU.</p> <p>D. RSDPL is a group company of RCVPL and is related to the promoter and promoter group of RCVPL. RSDPL also owns and possesses a vacant piece and parcel of land at Garadhiya, Taluka Savli, District Vadodara, Gujarat, which is adjoining to and adjacent to RCVPL Larger Land (referred to as the "RSDPL Land"). RSDPL has also been exploring and looking to find suitable buyers / interested parties who are willing to purchase the RSDPL Land either in entirety or in parts at attractive market rates to maximise the monetisation from the surplus assets.</p> <p>E. In the stated background and in order to consolidate the adjoining land parcels, namely RCVPL Surplus Land and RSDPL Land, owned by both the companies viz. RCVPL and RSDPL, with an objective to be in a better position to negotiate, market and monetise the consolidated larger land parcels to realise its full potential in an efficient and</p> |

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optimum manner including by way of joint-development, co-development, industrial plotting, outright sale etc., the management of RCVPL and RSDPL has proposed a scheme of arrangement under the provisions of the section 230 to 232 of the Companies Act, 2013 to provide for the merger of RSDPL into RCVPL.

- F. The Scheme provides an opportunity to RCVPL to acquire and aggregate the RSDPL Land along with RCVPL Surplus Land to create a larger pool of land which can be monetised and marketed at better commercial considerations and at the same time, discharge the consideration for acquisition / aggregation of RSDPL Land through merger of RSDPL into RCVPL in non-monetary form by issue of its securities to the shareholders of RSDPL.
- G. Further, merger of RSDPL with RCVPL will lead to a more efficient utilization, exploitation and monetisation of larger land parcel, better realisation of the cash / funds which would be generated from such monetisation of assets and larger pool of funds which can be better deployed for further business operations.
- H. The merger of Companies will also provide ancillary benefits in the form of administrative and operational rationalization and promote organizational efficiencies with the achievement of greater economies of scale, reduction in overheads and improvement in various other operating parameters including administrative, managerial and other expenditure, and optimal utilization of resources by elimination of duplication of activities and related costs.
- I. Thus, with an intent to achieve aforesaid objectives and further in order to consolidate, streamline and effectively merge the Transferor Company and the Transferee Company in a single entity, it is intended that the Transferor Company be merged / amalgamated with the Transferee Company.
- J. In view of the aforesaid objectives, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation for the transfer and vesting of the Undertaking of the Transferor Company (*as defined in the Scheme*) and business of the Transferor Company with and into the Transferee Company and other ancillary and incidental matters stated herein, with an opinion that the amalgamation and other provisions of the Scheme would benefit the shareholders, employees and other stakeholders of the Transferor Company and the Transferee Company.
- K. The amalgamation of the Transferor Company with the Transferee

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| | Company will combine the business, activities and operations of the Transferor Company and the Transferee Company into a single company with effect from the Appointed Date (<i>as defined hereunder</i>) and shall be in compliance with the provisions of the IT Act (<i>as defined in the Scheme</i>), including Section 2(1B) thereof or any amendments thereto | |
| Date of resolution passed by the Board of Director of the company approving the scheme | January 04, 2022 | January 04, 2022 |
| Date of meeting of the Audit Committee in which the draft scheme has been approved | January 04, 2022 | Not Applicable |
| Appointed Date | October 01, 2021 | October 01, 2021 |
| Name of Exchanges where securities of the company are listed | The equity shares of the Transferee Company are listed on the BSE Limited. | The securities of the Transferor Company are not listed on any stock exchange. |
| Nature of Business | The Transferee Company is primarily engaged in the business of manufacturing and supplying of PVC floor covering, PVC sheets and PVC leathercloth. | The Transferor Company was incorporated with an object to primarily engage in the business of manufacturing and trading in yarn, fibres and textiles. Further, the main object clause of the Transferor Company provides for engaging in the business of development and sale of the land / properties / real estate assets of the company. |
| Capital before the scheme (No. of equity shares as well as capital in rupees) | Rs. 12,06,72,120 (Rupees Twelve Crores Six Lakhs Seventy-Two Thousand One Hundred Twenty Only) comprising of 1,20,67,212 (One Crores Twenty Lakhs Sixty-Seven Thousand Two Hundred Twelve) Equity Shares of Rs. 10/- (Rupees Ten Only) each fully paid up. | Rs. 1,00,200 (Rupees One Lakhs Two Hundred Only) comprising of 10,020 (Ten Thousand Twenty) Equity Shares of Rs. 10/- (Rupees Ten Only) each fully paid up. |

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| No. of shares to be issued | <p>i. 41,17,160 (Forty-One Lakhs Seventeen Thousand One Hundred Sixty) Equity Shares of Rs. 10/- (Rupees Ten Only) each fully paid up of the Transferee Company; and</p> <p>ii. 84,99,592 (Eighty-Four Lakhs Ninety Nine Thousand Five Hundred Ninety Two) Non-convertible Redeemable Preference Shares of Rs. 10/- (Rupees Ten Only) each fully paid up of the Transferee Company.</p> | |
| Cancellation of shares on account of cross holding, if any | Nil | Nil |
| Capital after the scheme (No. of equity shares as well as capital in rupees) | <p>i. INR 16,18,43,720/- (Rupees Sixteen Crores Eighteen Lakhs Forty-Three Thousand Seven Hundred Twenty Only) comprising of 1,61,84,372 (One Crores Sixty-One Lakhs Eighty-Four Thousand Three Hundred Seventy Two) Equity shares of face value of Rs. 10/- (Rupees Ten Only) and</p> <p>ii. INR 8,49,95,920 /- (Rupees Eight Crore Forty Nine Lakhs Ninety Five Thousand Nine Hundred Twenty Only) comprising of 84,99,592 (Eighty-Four Lakhs Ninety Nine Thousand Five Hundred Ninety Two) Non-convertible Redeemable Preference Shares of Rs. 10/- (Rupees Ten Only) each fully paid up</p> | |
| Net Worth | (Rs. In crores) | (Rs. In crores) |
| Pre | INR (456.09)/- (negative) | INR (0.12)/- (negative) |
| Post | INR (443.60)/- (negative) | Not applicable |
| Valuation by independent Chartered Accountant – Name of the valuer/valuer firm and Regn no. | <p>Name of Independent Registered Valuer: Mayur Popat, Chartered Accountant</p> <p>Registered Valuer – Securities and Financial Assets (IBBI)</p> <p>Registration No. IBBI / RV / 006 / 2019 / 11173</p> | |

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Royal Cushion Vinyl Products Limited

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|--|---|---|-----------------------------------|---------------------------|-----------------------------------|---------------|
| Methods of valuation and value per share arrived under each method with weight given to each method, if any. | No. | Particulars | Transferee Company / RCVPL | | Transferor Company / RSDPL | |
| | | | Value per share (INR) | Weight | Value per share (INR) | Weight |
| | A | Market Approach | NA | - | NA | - |
| | B | Income Approach based on DCF Method | (244.33) | 75% | NA | - |
| | C | Asset / Cost based approach | (325.57) | 25% | 12,591.99 | 100% |
| | I. | Relative Fair Value per Share | (264.64) | - | 12,591.99 | - |
| | II. | Relative Fair Value per Share considered for determining share exchange ratio | 10 | | 12,591.99 | |
| | Fair value per shares | Rs. 10/- as above. | | Rs. 12,591.99/- as above. | | |
| Exchange ratio | (i) 7,807 (Seven Thousand Eight Hundred Seven) equity share of face value of Rs. 10/- (Rupees Ten Only) each of the Transferee Company and (ii) 16,117 (Sixteen Thousand One Hundred Seventeen) NCRPS of face value of Rs. 10/- (Rupees Ten Only) each of the Transferor Company, for every 19 (Nineteen) fully paid-up equity share of face value of Rs. 10/- (Rupees Ten Only) each of the Transferor Company | | | | | |
| Name of Merchant Banker giving fairness opinion | Khambatta Securities Limited | | | | | |
| Shareholding pattern of the Transferee Company | Pre | | | Post | | |
| | No. of Equity Shares | % of holding | No. of Equity Shares | % of holding | | |
| Promoter | 79,83,128 | 66.16% | 1,21,00,288 | 74.77% | | |

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| Public | 40,84,084 | 33.84% | 40,84,084 | 25.23% |
| Custodian | - | - | - | - |
| TOTAL | 1,20,67,212 | 100.00% | 1,61,84,383 | 100.00% |
| No of shareholders | 3,258 | | 3,261 | |
| Names of the Promoters (with PAN nos.) | Name of Promoter/ Promoter Group | | Name of Promoter/ Promoter Group | |
| | PAN | | PAN | |
| | Vinod Shah | AAGPS4899H | Vinod Shah | AAGPS4899H |
| | Jayesh Motasha | AADPM6897Q | Jayesh Motasha | AADPM6897Q |
| | Mahesh Shah | AIWPS1737L | Mahesh Shah | AIWPS1737L |
| | Suvrat Shah | AADPS0343K | Suvrat Shah | AADPS0343K |
| | Mukesh Motasha | AACPM3116H | Jay Shah | AAHPS7174G |
| | Deepak Motasha | AACPM6040Q | Vivek Motasha | AADPM5447N |
| | Anuradha Jhaveri | AHVPJ3233E | Mukesh Motasha | AACPM3116H |
| | Anuradha Motasha | AACPM3089R | Rahul Motasha | AADPM5497N |
| | Arvind Motasha | AABPM7935R | Varun Motasha | AADPM5501F |
| | Bhavana Motasha | AAOPM2488E | Deepak Motasha | AACPM6040Q |
| | Dipti Motasha | AAOPM2490C | | |
| | Hansa Motasha | AFAPM1132L | | |
| | Jayshree Shah | ABEPS9578E | | |
| | Meena Shah | ABIPS9160L | | |
| | Sushila Shah | ABDPS8373G | | |
| | Shweta Motasha | AHWPM7777P | | |
| | Varun Motasha | AADPM5501F | | |
| | Bhaktavatsala Trading & Con Serv LLP | AAOFB9775H | | |
| | Bhaktavatsala Trading & Con | AAACB3352R | | |

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|--|---------------|--|
| Serv Pvt Ltd | | |
| Lokswami Trading & Con Serv Pvt Ltd | AAACL0729L | |
| Sahishnu Trading & Con Serv LLP | ACUFS2468N | |
| Sahishnu Trading & Con Serv Pvt Ltd | AAACS7394A | |
| Shreedaha Trading & Con Serv LLP | ACUFS2470C | |
| Shreedaha Trading & Con Serv Pvt Ltd | AAACS7396C | |
| Sughosh Trading & Con Serv LLP | ACUFS2455D | |
| Sughosh Trading & Con Serv Pvt Ltd | AAACS7395B | |
| Sumukh Trading & Con Serv Pvt Ltd | AAFCS8951C | |
| Trilokatma Trading & Con Serv LLP | AAKFT0999B | |
| Trilokatma Trading & Con Serv Pvt Ltd | AAACT6527G | |
| Trilokesh Trading & Con Serv Pvt Ltd | AAACT2820N | |
| Vishvamurti Trading & Con Serv Pvt Ltd | AABCV3600M | |
| Lapada (Mauritius) Limited | Not Available | |

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Royal Cushion Vinyl Products Limited

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| Names of the Board of Directors (with DIN and PAN nos.) | <table border="1"> <thead> <tr> <th>Name of Director</th> <th>PAN</th> <th>DIN</th> </tr> </thead> <tbody> <tr> <td>Jayesh Amritlal Motasha</td> <td>AADP M6897 Q</td> <td>00054236</td> </tr> <tr> <td>Mahesh Kantilal Shah</td> <td>AIWPS 1737L</td> <td>00054351</td> </tr> <tr> <td>Avani Jolly Pandit</td> <td>[AMIPP 1596Q</td> <td>08386003</td> </tr> <tr> <td>Harsha Mukesh Shah</td> <td>AQMPS 2453F</td> <td>08386011</td> </tr> </tbody> </table> | Name of Director | PAN | DIN | Jayesh Amritlal Motasha | AADP M6897 Q | 00054236 | Mahesh Kantilal Shah | AIWPS 1737L | 00054351 | Avani Jolly Pandit | [AMIPP 1596Q | 08386003 | Harsha Mukesh Shah | AQMPS 2453F | 08386011 | <table border="1"> <thead> <tr> <th>Name of Director</th> <th>PAN</th> <th>DIN</th> </tr> </thead> <tbody> <tr> <td>Jayesh Motasha Amritlal</td> <td>AADP M6897 Q</td> <td>00054236</td> </tr> <tr> <td>Vinod Kantilal Shah</td> <td>AIWPS 1737L</td> <td>00054667</td> </tr> </tbody> </table> | Name of Director | PAN | DIN | Jayesh Motasha Amritlal | AADP M6897 Q | 00054236 | Vinod Kantilal Shah | AIWPS 1737L | 00054667 |
|--|---|--|-----|-----|-------------------------|--------------|----------|----------------------|-------------|----------|--------------------|--------------|----------|--------------------|-------------|----------|---|------------------|-----|-----|-------------------------|--------------|----------|---------------------|-------------|----------|
| Name of Director | PAN | DIN | | | | | | | | | | | | | | | | | | | | | | | | |
| Jayesh Amritlal Motasha | AADP M6897 Q | 00054236 | | | | | | | | | | | | | | | | | | | | | | | | |
| Mahesh Kantilal Shah | AIWPS 1737L | 00054351 | | | | | | | | | | | | | | | | | | | | | | | | |
| Avani Jolly Pandit | [AMIPP 1596Q | 08386003 | | | | | | | | | | | | | | | | | | | | | | | | |
| Harsha Mukesh Shah | AQMPS 2453F | 08386011 | | | | | | | | | | | | | | | | | | | | | | | | |
| Name of Director | PAN | DIN | | | | | | | | | | | | | | | | | | | | | | | | |
| Jayesh Motasha Amritlal | AADP M6897 Q | 00054236 | | | | | | | | | | | | | | | | | | | | | | | | |
| Vinod Kantilal Shah | AIWPS 1737L | 00054667 | | | | | | | | | | | | | | | | | | | | | | | | |
| Please specify relation among the companies involved in the scheme, if any | Both the Companies are managed and operated by the same set of controlling shareholders group. | Both the Companies are managed and operated by the same set of controlling shareholders group. | | | | | | | | | | | | | | | | | | | | | | | | |
| Details regarding change in management control in listed or resulting company seeking listing if any | There will be no change in management control of the listed Company pursuant to merger of Transferor Company with the Transferee Company. | | | | | | | | | | | | | | | | | | | | | | | | | |

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Royal Cushion Vinyl Products Limited
Cin no: L24110MH1983PLC031395
"Shlok" 60 – CD,
Govt. Industrial Estate, Charkop,
Kandivali (W), Mumbai – 400 067
Tel: + 91 22 32655828, 28603514, 16
Website: www.rcvp.in

January 25, 2022

Brief details of the Promoter and Board of Directors of transferee/resulting and transferor/demerged companies

I. List of Promoters / Promoter Group of Transferee Company

| Sr. No. | Name of Promoter / Promoter Group | PAN |
|---------|--|------------|
| 1 | Vinod Shah | AAGPS4899H |
| 2 | Jayesh Motasha | AADPM6897Q |
| 3 | Mahesh Shah | AIWPS1737L |
| 4 | Suvrat Shah | AADPS0343K |
| 5 | Mukesh Motasha | AACPM3116H |
| 6 | Deepak Motasha | AACPM6040Q |
| 7 | Anuradha Jhaveri | AHVJP3233E |
| 8 | Anuradha Motasha | AACPM3089R |
| 9 | Arvind Motasha | AABPM7935R |
| 10 | Bhavana Motasha | AAOPM2488E |
| 11 | Dipti Motasha | AAOPM2490C |
| 12 | Hansa Motasha | AFAPM1132L |
| 13 | Jayshree Shah | ABEPS9578E |
| 14 | Meena Shah | ABIPS9160L |
| 15 | Sushila Shah | ABDPS8373G |
| 16 | Shweta Motasha | AHWPM7777P |
| 17 | Varun Motasha | AADPM5501F |
| 18 | Bhaktavatsala Trading & Con Serv LLP | AAOFB9775H |
| 19 | Bhaktavatsala Trading & Con Serv Pvt Ltd | AAACB3352R |
| 20 | Lokswami Trading & Con Serv Pvt Ltd | AAACL0729L |
| 21 | Sahishnu Trading & Con Serv LLP | ACUFS2468N |
| 22 | Sahishnu Trading & Con Serv Pvt Ltd | AAACS7394A |
| 23 | Shreedaha Trading & Con Serv LLP | ACUFS2470C |

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Royal Cushion Vinyl Products Limited

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|----|--|---------------|
| 24 | Shreedaha Trading & Con Serv Pvt Ltd | AAACS7396C |
| 25 | Sughosh Trading & Con Serv LLP | ACUFS2455D |
| 26 | Sughosh Trading & Con Serv Pvt Ltd | AAACS7395B |
| 27 | Sumukh Trading & Con Serv Pvt Ltd | AAFCS8951C |
| 28 | Trilokatma Trading & Con Serv LLP | AAKFT0999B |
| 29 | Trilokatma Trading & Con Serv Pvt Ltd | AAACT6527G |
| 30 | Trilokesh Trading & Con Serv Pvt Ltd | AAACT2820N |
| 31 | Vishvamurti Trading & Con Serv Pvt Ltd | AABCV3600M |
| 32 | Lapada (Mauritius) Limited | Not Available |

II. List of Board of Directors of the Transferee Company

| Sr. No. | Name of Director | PAN | DIN |
|---------|-------------------------|------------|----------|
| 1 | Jayesh Amritlal Motasha | AADPM6897Q | 00054236 |
| 2 | Mahesh Kantilal Shah | AIWPS1737L | 00054351 |
| 3 | Avani Jolly Pandit | AMIPP1596Q | 08386003 |
| 4 | Harsha Mukesh Shah | AQMPS2453F | 08386011 |

III. List of Promoters / Promoter Group of Transferor Company

| Sr. No. | Name of Promoter / Promoter Group | PAN |
|---------|-----------------------------------|------------|
| 1 | Vinod Shah | AAGPS4899H |
| 2 | Jayesh Motasha | AADPM6897Q |
| 3 | Mahesh Shah | AIWPS1737L |
| 4 | Suvrat Shah | AADPS0343K |
| 5 | Jay Shah | AAHPS7174G |
| 6 | Vivek Motasha | AADPM5447N |

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Royal Cushion Vinyl Products Limited

Cin no: L24110MH1983PLC031395

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| | | |
|----|----------------|------------|
| 7 | Mukesh Motasha | AACPM3116H |
| 8 | Rahul Motasha | AADPM5497N |
| 9 | Varun Motasha | AADPM5501F |
| 10 | Deepak Motasha | AACPM6040Q |

IV. List of **Board of Directors** of the Transferor Company

| Sr. No. | Name of Director | PAN | DIN |
|---------|-------------------------|------------|----------|
| 1 | Jayesh Amritlal Motasha | AADPM6897Q | 00054236 |
| 2 | Vinod Kantilal Shah | AIWPS1737L | 00054667 |

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BIPIN & Co.
CHARTERED ACCOUNTANTS



CA. TEJAS PUROHIT F.C.A., DISA, M. Com 98257 88599
CA. DHARIT K. SHAH F.C.A., LL.B., B. Com. 94273 41134
CA. AMIT D. SHAH F.C.A., D.T.P., B. Com 94263 13900
CA. SURESH SISODIA F.C.A., A.C.S., LL.B. 95251 56037

To,
The Board of Directors,
Royal Cushion Vinyl Products Limited
60 CD "Shlok", Government Industrial Estate,
Charkop, Kandivali (West),
Mumbai 400067,
Maharashtra, India.

Subject: Independent Auditor's Certificate on computation of pre and post net-worth of the Company pursuant to Scheme of Arrangement in nature of merger / amalgamation of Royal Spinwell and Developers Private Limited with Royal Cushion Vinyl Products Limited and their respective shareholders and creditors

1. We, Bipin & Co., Chartered Accountants, the statutory auditors of Royal Cushion Vinyl Products Limited ("Company") have been requested by the Company to certify the computation of pre and post net-worth of the Company pursuant to the Scheme of Arrangement in nature of merger / amalgamation of Royal Spinwell and Developers Private Limited ("RSDPL" / "Transferor Company") with Royal Cushion Vinyl Products Limited ("RCVPL" / "Transferee Company") and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 read with applicable rules made thereunder ("Scheme"). This certificate is required by RCVPL for the submission to the BSE Limited ("BSE") and if required, to Securities and Exchange Board of India ("SEBI") and other regulatory authorities. The Board of Directors of the Company at its meeting held on January 04, 2022 considered and approved the Scheme, subject to receipt of requisite approvals, inter alia, in terms of sections 230 to 232 and other relevant provisions of the Companies Act, 2013 and as required under SEBI Regulations.
2. For the purpose of certifying the accompanying 'Statement of computation of pre and post scheme net worth of the Company as at October 01, 2021' ("Statement") (enclosed herewith as "Annexure A", prepared by the management of RCVPL), which has been stamped and initialed by us for identification purpose only, we have referred to and relied on the i) the unaudited financial statements of RCVPL as at and for the six months / half year ended on September 30, 2021 which have been subjected to limited review by us and ii) the audited financial statements of RSDPL as at and for the six months / half year ended on September 30, 2021, audited by another firm of Chartered Accountants, iii) the accounting treatment contained in Clause 13 of the Draft Scheme and iv) such other relevant records and documents maintained by the Company.

Management's Responsibility

3. The management of the Company is responsible for preparation of the Statement computing the pre and post scheme net worth of the Company as at October 1, 2021 duly considering all the documents, records and information as relevant including those mentioned in paragraph 2 above. This responsibility of the management of the Company includes collecting, collating and validating data and presentation thereof in the Statement and the design, implementation and maintenance of internal controls relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The responsibility also includes maintenance of all accounting and other relevant supporting records and documents.

Auditor's Responsibility

4. Our responsibility, for the purpose of this certificate, is limited to certifying the particulars contained in the Statement including computation thereof, duly considering all the documents, records and information as relevant, as specifically mentioned in paragraph 2 above.
5. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard of Quality Control (SQC) 1, Quality Control for firms that Perform Audit and Reviews of Historical Financial Information, and Other Assurance Related Services Engagements.

Opinion

7. Based on the above and according to the information, explanations and representations provided to us by the Management of the Company, we certify that the pre and post scheme net worth of the Company as at October 01, 2021 computed in accordance with paragraph 2 above is INR (45,609.17) Lakhs and INR (44,360.47) Lakhs respectively, based on the Statement enclosed herewith as Annexure A.


Restriction on use

8. This Certificate is issued at the request of the Company, solely for the purpose of onward submission by the Company to BSE. This Certificate should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Bipin & Co.

Chartered Accountants

ICAI Firm Registration No. 101509W



Amit Shah

Partner

Membership No.: 126337



Place: Vadodara

Date: 24/1/2022

UDIN: 22126337AAAAA U5195

Enclosure: As above.

Annexure A

Statement of computation of pre and post scheme net worth of the Company as at October 01, 2021
(Forming part of Certificate dated January 24, 2022)

- I. Extract of Note of Shareholder's Funds from the limited reviewed unaudited financial statements of RCVPL as at and for the six months / half year ended on September 30, 2021, effect of Scheme of merger of RSDPL with RCVPL as per accounting treatment contained in the Draft Scheme duly considering the audited financial statements of RSDPL as at and for the six months / half year ended on September 30, 2021 and likely post scheme status

(Amount in Lakhs)

| Particulars | Pre Scheme as on 01.10.2021* (A) | Effect of Scheme of merger of RSDPL with RCVPL (B) | Post Scheme as on 01.10.2021 (A) + (B) |
|--|--|---|--|
| I. Paid-up Share Capital | | | |
| Equity Share Capital | 1,206.72 | 411.72 | 1,618.44 |
| Preference Share Capital | - | 849.96 | 849.96 |
| Total (I) | 1,206.72 | 1,261.68 | 2,468.40 |
| II. Reserves and Surplus | | | |
| Surplus/(Deficit) in statement of P&L | (54,093.48) | (12.97) | (54,106.46) |
| Securities Premium | 7,232.25 | - | 7,232.25 |
| Investment Allowance Reserve | 45.34 | - | 45.34 |
| Capital Reserve | 6.49 | - | 6.49 |
| Capital Reserve on account of Scheme of Arrangement | - | (1,260.67) | (1,260.67) |
| Total (II) | (46,809.40) | (1,273.65) | (48,083.05) |
| Total Shareholders' Funds (I) + (II) | (45,602.68) | (11.97) | (45,614.65) |

- II. Computation of Pre and Post Net worth of RCVPL (Refer Note 1):

| Particulars | Pre Scheme as on 01.10.2021* (A) | Effect of Scheme of merger of RSDPL with RCVPL (B) | Post Scheme as on 01.10.2021 (A) + (B) |
|---------------------------------|--|---|--|
| I. Paid-up Share Capital | | | |
| Equity Share Capital | 1,206.72 | 411.72 | 1,618.44 |
| Preference Share Capital | - | 849.96 | 849.96 |
| Total (I) | 1,206.72 | 1,261.68 | 2,468.40 |

For Royal Cushion Vinyl Products Ltd. 3

Authorised Signatory / Director

| | | | |
|---------------------------------------|--------------------|-----------------|--------------------|
| II. Reserves and Surplus | | | |
| Surplus/(Deficit) in statement of P&L | (54,093.48) | (12.97) | (54,106.46) |
| Securities Premium | 7,232.25 | - | 7,232.25 |
| Investment Allowance Reserve** | 45.34 | - | 45.34 |
| Total (II) | (46,815.89) | (12.97) | (46,828.87) |
| Net Worth (I) + (II) | (45,609.17) | 1,248.70 | (44,360.47) |

* Opening business hours on October 01, 2021, being the appointed date, which is same as closing values on closing business hours on September 30, 2021.

** Investment allowance reserve was created out of profits of the Company

Note 1:

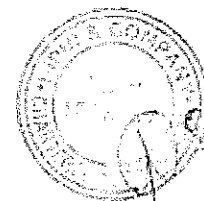
For the purpose of this certificate, following definition of, "Net Worth" as defined in section 2(57) of the Companies Act, 2013, as amended, has been considered.

"Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

For and on behalf of the Board of

Royal Cushion Vinyl Products Limited

Jayesh Motasha
Jayesh Motasha
Director
DIN: 00054236



Royal Cushion Vinyl Products Limited

Cin no: L24110MH1983PLC031395

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January 25, 2022

Details of Capital Evolution of the Transferor Company and Transferee Company**1. Details of Capital evolution of the Transferor Company:**

| Date of Issue | No. of shares issued | Issue Price (Rs.) | Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.) | Cumulative capital (No. of shares) | Whether listed, if not listed, give reasons thereof |
|---------------|----------------------|-------------------|--|------------------------------------|---|
| 28-06-1991 | 20 | 10 | Initial Allotment | 20 | Unlisted Company |
| 17-06-1995 | 10,000 | 10 | Further Allotment | 10,020 | Unlisted Company |

2. Details of Capital evolution of the Transferee Company:

| Date of Issue | No. of shares issued | Issue Price (Rs.) | Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.) | Cumulative capital (No. of shares) | Whether listed, if not listed, give reasons thereof |
|---------------|----------------------|-------------------|--|------------------------------------|---|
| 20-11-1983 | 1,200 | 100 | Allotment | 1,200 | Listed |
| 30-11-1983 | 78,800 | 100 | Allotment | 80,000 | Listed |
| 30-03-1992 | 80,000 | NA | Bonus Issue (1:1) | 1,60,000 | Listed |
| 28-10-1992 | 1,60,000 | NA | Sub-division of share from INR 100 each to INR 10 each | 16,00,000 | Listed |
| 28-10-1992 | 8,00,000 | NA | Bonus Issue (1:2) | 24,00,000 | Listed |
| 23-11-1993 | 6,00,000 | 30 | Public issue | 30,00,000 | Listed |
| 19-07-1994 | 30,00,000 | NA | Bonus Issue (1:1) | 60,00,000 | Listed |
| 02-11-1994 | 20,40,000 | 370 | Private Placement | 80,40,000 | Listed |

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Royal Cushion Vinyl Products Limited

Cin no: L24110MH1983PLC031395

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| | | | | | |
|------------|-----------|----|---|-------------|--------|
| 28-12-1996 | 40,20,000 | 10 | Conversion of FCD, FCD was issued at Rs.100/- and converted into 10 (Ten) equity shares of Rs.10/- each | 1,20,60,000 | Listed |
| 29-12-1996 | 7,212 | 10 | Pursuant to scheme of merger of Royal Vinyl Limited | 1,20,67,212 | Listed |

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Royal Cushion Vinyl Products Limited

Cin no: L24110MH1983PLC031395

"Shlok" 60 – CD,

Govt. Industrial Estate, Charkop,

Kandivali (W), Mumbai – 400 067

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Website: www.rcvp.in

January 25, 2022

To,
The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.

Dear Sir/Madam,

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Arrangement in the nature of merger / amalgamation of Royal Spinwell and Developers Private Limited ("Transferor Company") with Royal Cushion Vinyl Products Limited ("Transferee Company") and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 read with applicable rules made thereunder ("Scheme")

In connection with the above application, we hereby confirm that:

- a) The proposed Scheme of Arrangement to be presented to any Court or Tribunal does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, Securities Contract (Regulations) Rules, 1957, RBI Act, Depositories Act, 1996, Companies Act, 2013, the rules, regulations and guidelines made under these Acts, the provisions as explained in Regulation 11 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and the requirements of SEBI Circulars and BSE Limited.
- b) In the explanatory statement to be forwarded by the Company to the shareholders u/s 230-232 ~~or accompanying a proposed resolution to be passed u/s 66~~ of the Companies Act 2013, it shall disclose:
 - i) the pre and post-amalgamation and arrangement (expected) capital structure and shareholding pattern.
 - ii) the "fairness opinion" obtained from an Independent Merchant Banker on valuation of assets / shares done by the valuer for the Company and unlisted company.
 - iii) Information about unlisted company involved in the Scheme as per the format provided for abridged prospectus of the SEBI ICDR Regulations, if applicable.
 - iv) The Complaint report as per Annexure III to BSE Checklist.
 - v) The observation letter issued by the stock exchanges.

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KANTILAL
SHAH

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DN: cn=MAHESH KANTILAL SHAH,
o=RCVP, ou=RCVP, email=rcvp@rcvp.in,
c=IN

Royal Cushion Vinyl Products Limited

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- c) The draft Scheme of Arrangement together with all documents mentioned in Part – I(A)(8)(a) of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 has been disseminated on Company’s website as per Website link given hereunder: www.rcvp.in
- d) The Company shall disclose the observation letter of the stock exchange on its website within 24 hours of receiving the same.
- e) The company shall obtain shareholders’ approval by way of special resolution passed through e-voting. Further, the Company shall proceed with the draft scheme only if the vote cast by the public shareholders in favor of the proposal is more than the number of votes cast by public shareholders against it.
- f) The documents filed by the Company with the Stock Exchange are same/ similar/ identical in all respect, which have been filled by the Company with Registrar of Companies/SEBI, wherever applicable.
- g) There will be no alteration in the Share Capital of the unlisted transferor company from the one given in the draft Scheme of Arrangement.
- h) None of the promoters or directors of the companies involved in the scheme is a fugitive economic offender.

For and behalf of Royal Cushion Vinyl Products Limited

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Mahesh Shah
Managing Director
DIN: 00054351