



# RAMANAND & ASSOCIATES

## — CHARTERED ACCOUNTANTS —

Head Office:  
C/06, 11&12, Ostwal Park Bldg. No.  
4, CHSL, Near Jesal Park, Jain Temple,  
Bhayandar (East), Dist. Thane 401 105.  
Mob: 9322006131 / 9322231113  
Tel.: +91022 28171199  
Email: rg@caramanandassociates.com  
Website: www.caramanandassociates.com

### INDEPENDENT AUDITOR'S REPORT

To,  
The Members of  
**PRATIBHA INDUSTRIES LIMITED**

#### Report on the audit of consolidated financial statements

##### Disclaimer of Opinion

We were engaged to audit the accompanying consolidated financial statements of **PRATIBHA INDUSTRIES LIMITED**, (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and which includes Group's share of the profit/(loss) after tax and total comprehensive income/(loss) of its associates and Jointly Controlled Entities, which comprises the consolidated Balance Sheet as at March 31, 2020, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity, the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

We do not express an opinion on the accompanying consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

##### Basis for Disclaimer of Opinion

1. Inventory of Work in Progress (WIP) of the Holding Company and of the JVs' includes certain contractual claims amounting to Rs. 310.60 Crores and Rs. 1,003.36 Crores, respectively. These amounts have been ascertained by their respective managements based on their estimates. Out of these contractual claims, claims of the Holding Company and of the JVs', as reported by their auditors, amounting to Rs. 259.33 Crores and Rs. 1,003.36 Crores, respectively, are either formally submitted but not yet approved by respective clients or no formal submissions have been made to respective clients. The amounts of these claims are subject to change post approval from clients. To the extent of Rs. 1,262.70 Crores, Inventories are overstated and accumulated losses are understated in the consolidated financial statements.
2. The management of the Holding Company and JVs have not provided detailed working of Construction Work in Progress (WIP), Cost to Completion and consequent profitability and / or losses on projects which are pending execution. In absence of these details, it is not possible for us, to ascertain whether the Construction WIP of Rs. 8.71 Crores has been valued and stated correctly or not. The consequential impact, if any, on the consolidated financial statements is therefore not ascertainable.
3. Balance confirmation of trade Receivables, Loans and Advances, deposits and trade payables are not received from third parties. These balances are subject to confirmations and consequent adjustments, if required. In absence of balance confirmations, financial impact on consolidated financial statements is not ascertainable.
4. As per the bank loan statements made available to us by the management of Holding Company, the banks had charged Rs. 25.55 Crores on account of interest and other charges for the period from February 01, 2019 to March 31, 2019. However, the Holding company had not made provision for such interest and charges, due to commencement of CIRP period under IBC. To that extent, loan liabilities and accumulated losses are understated.
5. Certain loan accounts of the Holding company and JVs having aggregate balance of Rs. 461.72 Crores and Rs. 113.49 Crores respectively in the books of accounts are not reconciled with their respective bank statements which are showing aggregate balance of Rs. 370.42 Crores and Rs. 97.20 Crores. Thus, loan balances are overstated in books of accounts by Rs. 107.59 Crores.

6. Certain current accounts of the Holding company and JVs having aggregate balance of Rs. 0.06 Crores in the books of accounts are not reconciled with their respective bank statements which are showing aggregate balance of Rs. 0.02 Crores. Thus, current bank balances are overstated in books of accounts by Rs. 0.04 Crores.
7. Many loan accounts of the Holding Company and JVs having aggregate balance of Rs. 4445.37 Crores and Rs. 35.19 Crores respectively and many current accounts of the Holding Company and JVs having aggregate balance of Rs. 16.85 Crores and Rs. 0.66 Crores are not confirmed due to non-availability of statement / confirmation from respective Banks. In absence of sufficient appropriate audit evidence, we are unable to determine any possible impact thereof on Consolidated financial statements.
8. In the reconciliation statement of various bank accounts of the Holding Company, there are many entries relating to Receipts and Payments, having aggregated value of Rs. 9.75 Crores and Rs. 9.43 Crores, respectively, which are pending to be cleared since long. To the extent of Rs. 0.32 Crores, the bank balance is overstated. In absence of complete details, we cannot ascertain the overall impact on consolidated financial statements.
9. The Holding Company and JVs have an unconfirmed balance of Fixed Deposits amounting to Rs. 13.81 Crores and Rs. 8.30 Crores respectively as at March 31, 2020. In absence of balance confirmation from the banks, financial impact on Consolidated financial statements is not ascertainable.
10. The Group has given loans and advances to related parties amounting to Rs. 120.02 Crores. As per the information given by the Holding Company's management and as reported in the JVs' audit reports, all these related parties have made substantial losses and their net worth have been fully eroded. However, the Group has not made provision for possible loss on such loans and advances.
11. The Holding company has not provided audited financial statements of its wholly owned subsidiary M/s. Pratibha Holdings (Singapore) Pte. Ltd. In absence of these Financial Statements, we cannot comment on any requirement for provision for diminution in value of investments.
12. The Holding Company has not made provision for impairment against Investment of Rs. 0.01 Crore in its subsidiary M/s. Bhopal Sanchi Tollways Private Limited. Its Concession Agreement has been terminated by NHAI. As informed to us, the subsidiary company has lodged claim and the matter is under arbitration.
13. There are many statutory dues of the Holding Company and JVs', amounting to Rs. 153.59 Crores and Rs. 20.41 Crores respectively, which are pending to be deposited by the respective entities with appropriate government authorities. The Holding company and the JVs have not made provision for interest on these dues on account of delay in depositing them. Since the management of Holding Company and of the JVs' have not estimated overall liability on account of interest, financial impact on consolidated financial statements is not ascertainable.
14. The RP/Liquidator has received various claims of disputed statutory dues pertaining to VAT/CST, Income Tax and Central Excise aggregating to Rs. 351.16 crores. However, since the outcome of the cases are not known to the RP/Liquidator, no provisions have been made in the Books of accounts. In absence of complete details of litigations, we can not ascertain impact on consolidated financial statements.
15. The Holding Company and the JVs', as reported by its' auditors, have not provided sufficient appropriate information to evaluate the accuracy of recognition, measurement and presentation of revenues and other related balances in view of the applicability of Ind AS 115 "Revenue from Contracts with Customers". The Group has not evaluated impact of variable consideration on its revenue as required under IND AS 115.

16. During the year, the Holding Company has unilaterally written back certain liabilities amounting to Rs. 1.33 crores. The managements of the Holding Company is of the opinion that based on their analysis of balances and due to various reasons, these balances were not payable and hence written back. To that extent, the liabilities, current quarter's loss and accumulated losses are understated in the consolidated financial statements.
17. The contracts of the JVs have been terminated by their respective clients and the projects have been assigned to other contractors, as reported by the auditors of JVs. As per the information & explanation given by the management of such JVs, there are no liabilities in such projects. However, there are certain provision for expenses aggregating to Rs. 38.59 Crores is appearing in Other Financial Liabilities. No detail of the provision has been provided to the auditor of such JVs for verification. In absence of the details, to the extent of amount of the provision, the liabilities and accumulated losses are overstated.
18. The Group has not made Provision for Employee Benefits in accordance with Ind AS 19. The management is in opinion that since the matter is under CIRP and also majority of the employees have already left the company, there will be no additional liability on account of employee benefits. In absence of valuation report, we cannot comment on the impact on Consolidated financial statements.
19. Foreign currency balance of certain foreign vendors of the Holding Company and of the JVs', having aggregate balance of Rs. 4.50 Crores and Rs. 3.14 Crores Crores, respectively as per Books of accounts as at March 31, 2020, could not be ascertained due to improper accounting. In the absence of these details, their balances could not be translated as required under IND AS 21 and consequential impact on Consolidated financial statements could not be ascertained.
20. The balances with statutory authorities includes credits, in respect of the Holding Company and of the JVs', aggregating to Rs. 24.44 Crores and Rs. 7.01 Crores, respectively, which pertains to the Service Tax, and Excise Duty. The Holding Company and the JVs', as reported in the JVs' audit reports, have not filed Service Tax and Excise Returns since long, to claim credits against Service Tax and Excise Duty liabilities. In absence of submission of returns, the credits cannot be utilized. To this extent, the Group's current assets are overstated and accumulated losses are understated.
21. The Holding Company has not maintained detailed Party wise outstanding of Public Deposits and the provision for penal interest has not been made since February 2019 due to the commencement of CIRP period under IBC. In the absence of these details consequential impact on Consolidated financial statements could not be ascertained.
22. As required under the provisions of Section 148 of the Companies Act, 2013, read with Rule 4 of the Companies (Cost Record and Audit) Rules, 2014, the cost audit has not been conducted of Holding Company's records.
23. As required under the provisions of Section 138 of the Companies Act, 2013, read with Rule 13 of the Companies (Accounts) Rules, 2014, the Internal Audit of the functions and activities of the Holding Company has not been conducted for the year ended March 31, 2020.

#### **Material Uncertainty Related to Going Concern**

The Group has accumulated losses of Rs. 5,115.38crores and its net worth is fully eroded. It has incurred net loss during the year ended March 31, 2020 amounting to Rs. 63.50croresas well as in previous years. It is unable to repay its debts, statutory obligations and pay salaries apart from other obligations/commitments. The application of Holding Company's Financial Creditors under section 9 of the Insolvency and Bankruptcy Code (IBC) had been admitted by Hon'ble National Company Law Tribunal, Mumbai Bench and Resolution Professional ("RP") was appointed vide order dated March 14, 2019. Since no resolution plan had been approved, application for liquidation of the Holding Company had been filed with the NCLT. The NCLT vide its order dated February 8, 2021 has approved liquidation of the Holding company.

All these indicate a material uncertainty about the Groups' ability to continue as a Going Concern. However, the consolidated financial statements are prepared on a going concern basis.

### **Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements**

The application of Financial Creditors under section 9 of the Insolvency and Bankruptcy Code (IBC) against the Holding Company had been admitted by Hon'ble National Company Law Tribunal, Mumbai Bench and Resolution Professional ("RP") was appointed vide order dated March 14, 2019. Since no resolution plan had been approved, application for liquidation of the Holding Company had been filed with the NCLT. The NCLT vide its order dated February 8, 2021 has approved liquidation of the Holding company. Resolution Professional Mr. Anil Mehta has been appointed as Liquidator by the NCLT. The management & operations of the Holding Company are being managed by the Liquidator on a Going Concern Basis.

The Holding Company's management is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows of the Group including its Associates and Jointly controlled entities 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 Rule 7 of the Companies (Accounts) Rules, 2014. The respective management / Board of Directors of the companies included in the Group and of its associate and Jointly Controlled Entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective managements of the Holding Company, subsidiaries included in the Group and of its associate and jointly controlled entities are responsible for assessing the ability of each entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Managements of the companies included in the Group and of its associate and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associate and jointly controlled entities.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

We are independent of the entity in accordance with the ethical requirements in accordance with the requirements of the Code of Ethics issued by ICAI and the ethical requirements as prescribed under the laws and regulations applicable to the entity.

## **Other Matters**

We did not audit the financial statements of 11 subsidiaries (including 11 Joint Ventures treated as Subsidiary) included in the consolidated financial statements, whose financial statements reflect, total assets of Rs. 3,60,492.33lakhs, total liabilities of Rs. 3,43,784.69lakhs as at March 31, 2020, and total revenue from operations of Rs. 6,692.77lakhs, total expenses of Rs. 8,877.58lakhs for the year ended March 31, 2020. These financial statements and other financial information have been audited by other auditors, whose reports have been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to aforesaid subsidiaries, is based solely on the reports of such other auditors.

The financial statements/ financial information of 4 subsidiaries (including 1 step-down subsidiary) as considered in the consolidated financial statements, whose financial statements reflect, total assets of Rs. 16,866.89lakhs, total liabilities of Rs. 31,079.61lakhs as at March 31, 2020, and total revenue from operations of NIL, total expenses of NIL for the year ended March 31, 2020, have not been audited by us or by other auditors. Their unaudited financial statements/ financial information have been furnished to us by the Liquidator of Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements / financial information.

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

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

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

- a. As described in the Basis for Disclaimer of Opinion paragraph, we sought but were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether proper books of account as required by law have been kept by the Holding Company so far as it appears from our examination of those books and the report of the other auditors;
- c. due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the consolidated Balance Sheet, consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity, and consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- d. due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the aforesaid consolidated financial statements comply with the Indian Accounting Standards under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. the matters described under the Basis for Disclaimer of Opinion paragraph, and going concern matter described in the Material Uncertainty Related to Going Concern paragraph may have an adverse effect on the functioning of the Group;
- f. on the basis of information available on the MCA website, all the directors are disqualified as on 31 March, 2020, from being appointed as a director in terms of Section 164(2) of the Act.
- g. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion paragraph above,

- h. With respect to the adequacy of the internal financial controls with reference to the consolidated financial statements of the Holding Company and subsidiary companies incorporated in India, and the operating effectiveness of such controls, we give our separate Report in the “Annexure A”.
- i. with respect to the other matters included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit & Auditor’s ) Rules, 2014, in our opinion and to our best of our information and according to the explanations given to us :
- Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Holding Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 38;
  - Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - Following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company:

Amount	Due Date	Date of Payment
97,791	30 <sup>th</sup> September, 2018	2010-11
1,13,493	30 <sup>th</sup> September, 2019	2011-12
1,15,700	30 <sup>th</sup> September, 2020	2012-13

**For Ramanand & Associates**

Chartered Accountants

ICAI Firm Registration Number: 117776W



Ramanand Gupta  
Managing Partner  
Membership No.: 103975

UDIN: 21103975AAAAIE4985

Date: March 26, 2021

Place: Mumbai

## **Annexure “A” to the Independent Auditor’s Report**

[Referred to under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditor’s Report of even date to the members of **PRATIBHA INDUSTRIES LIMITED** on the consolidated financial statements for the year ended March 31, 2020]

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

1. We were engaged to audit the internal financial controls with reference to consolidated financial statements of **Pratibha Industries Limited** (hereinafter referred to as “the Holding Company”) and its subsidiaries, which are companies incorporated in India, as of March 31, 2020, in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

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

The respective Management of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to consolidated financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Controls Over Financial Reporting (‘Guidance Note’) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of their business, including adherence to the respective 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.

#### **3. Auditors’ Responsibility**

Our responsibility is to express an opinion on the Holding Company’s internal financial controls with reference to consolidated financial statements based on our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Because of the matters described in the Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system with reference to the consolidated financial statements of the Holding Company.

#### **4. Meaning of Internal Financial Controls with reference to Consolidated Financial Statements**

A company’s internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are

being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **5. Basis for Disclaimer of Opinion**

We are unable to obtain sufficient appropriate audit evidence on which to base our opinion on the effectiveness of Holding Company's internal financial controls with reference to consolidated financial statements, because of the significance of the following matters:

- a) *The Holding Company did not have an appropriate internal control system for preparing debtors ageing and making provision for doubtful debts. This could potentially result in non-booking of provision for doubtful debts.***
- b) *The Holding Company did not have an appropriate internal control system for obtaining external balance confirmation on periodic basis. This could potentially result in inaccurate assets & liabilities disclosed in the books of accounts.***
- c) *The Holding Company did not have an appropriate internal control system for reviewing computation of Construction Work in Progress (WIP), Cost to Completion and estimated profitability of all projects regularly. This could potentially result in inaccurate disclosure of WIP and consequent profitability.***
- d) *The Holding Company did not have an appropriate internal control system to collect bank statements / balance confirmations in respect of its various current and loan accounts. This could lead to long outstanding entries in the bank reconciliation statements and unreconciled balances of various bank accounts on Balance Sheet date.***
- e) *The Holding Company did not have an appropriate internal control system of maintaining updated bank fixed deposit register, tracking maturity of FDs and accounting for interest on timely basis. This could potentially result in inaccurate reporting of the balance of fixed deposit, accrued interest and interest income.***
- f) *The Holding Company did not have an appropriate internal control system with respect to the details of the Public Deposit holders. This could lead to inability to track the balance of amount outstanding to individual deposit holders, and inaccurate accounting of the penal interest, in absence of such individual balances.***
- g) *The Holding Company did not have an appropriate internal control system for physical verification and safeguarding of its Property, Plant & Equipment. This could potentially result in misrepresentation of the existence and valuation of the assets.***
- h) *The Holding Company did not have an appropriate internal control system for reconciling balances of foreign vendors in INR and applicable foreign currency. This could potentially result in inaccurate translation of foreign currency balance in INR balance on Balance sheet date.***
- i) *The Holding Company did not have an appropriate internal control system over updation of accounts on timely basis. Booking of many entries are delayed on account of delayed receipt of records. There is lack of coordination between different divisions of the company. These all could potentially result in misstatement of financial statements.***
- j) *The Holding company did not have an appropriate internal control system of checking the interest levied by Lenders. This could potentially lead to overcharging by Lenders and increase in Finance Cost of the holding company.***



*k) The Holding company did not have an appropriate internal control system of calling Quotations from more than one Vendor while placing order. This could potentially lead to inefficient procurement and increased cost.*

*l) The Holding company did not have mechanism to track booking of expenses against advances paid. This could potentially lead to unauthorised payment and non-adjustment of advance against corresponding liability.*

**6. Disclaimer of Opinion**

As described in the Basis for Disclaimer paragraph above, because of the significance of the matters, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Holding Company had adequate internal financial controls with reference to consolidated financial statements and whether such internal financial controls were operating effectively for the year ended March 31, 2020 based on the internal control with reference to consolidated financial statements criteria established by the Holding 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 ICAI.

7. We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2020 consolidated financial statements of the Holding Company, and the disclaimer has affected our opinion on the consolidated financial statements and we have issued a disclaimer of opinion on the consolidated financial statements for the year ended on that date.

**8. Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements, does not cover unaudited subsidiary companies.

For **Ramanand & Associates**

Chartered Accountants

ICAI Firm Registration Number: 117776W

Ramanand Gupta  
Managing Partner

Membership Number: 103975



UDIN: 21103975AAAAIE4985

Date: March 26, 2021

Place: Mumbai

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Consolidated Balance Sheet as at 31st March, 2020

(Rs. in Lakhs unless otherwise stated)

Particulars	Note No	As at 31.03.2020	As at 31.03.2019
<b>ASSET</b>			
<b>(1) Non Current Assets</b>			
(a) Property, Plant and Equipment	2	34,766.43	37,984.86
(c) Other Intangible assets	3	-	44.21
(d) Financial Assets			
(i) Investments	4	4,669.36	4,857.87
(ii) Loans	5	78.16	152.96
(iii) Others	6	16,287.36	16,287.36
(e) Other Non-Current Assets	7	34,277.59	31,537.38
<b>(2) Current Assets</b>			
(a) Inventories	8	1,32,301.30	1,32,333.98
(b) Financial Assets			
(i) Trade Receivables	9	9,996.78	8,134.10
(ii) Cash and Cash Equivalents	10	2,646.85	2,521.08
(iii) Bank Balances	11	3,568.04	1,168.04
(iv) Loans	12	43,592.40	42,639.05
(v) Others	13	13,440.29	13,322.06
(c) Current Tax Asset (Net)		641.05	880.04
(d) Other Current Assets	14	21,685.48	16,708.51
<b>Total Assets</b>		<b>3,17,951.10</b>	<b>3,08,571.50</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share Capital	15	4,771.95	4,771.95
(b) Other Equity	16	(4,44,792.25)	(4,38,442.97)
<b>Liabilities</b>			
<b>(2) Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	88.06	135.50
(b) Provisions	18	159.01	159.01
(c) Deferred Tax Liabilities (Net)	19	-	-
(d) Other Non Current Liabilities		-	-
<b>(3) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	3,82,852.94	3,79,377.24
(ii) Trade Payables			
(A) Dues of micro and small enterprises		-	-
(B) Dues of creditors other than micro and small enterprises		29,313.87	25,767.34
(iii) Other Financial Liabilities	21	3,19,247.11	3,19,233.66
(b) Other Current Liabilities	22	25,546.38	16,805.75
(c) Provisions	23	143.95	143.95
(d) Current Tax Liabilities (Net)		620.09	620.09
<b>Total Equity and Liabilities</b>		<b>3,17,951.10</b>	<b>3,08,571.50</b>
Significant Accounting Policies	1		

See accompanying notes to the financial statements

As per our Report of even date  
**For Ramanand & Associates**  
**Chartered Accountants**  
Firm Regn No.: 117776W



**Ramanand Gupta**  
Managing Partner  
M No: 103975

Place : Mumbai  
Date : 26<sup>th</sup> March, 2021

**For Pratibha Industries Limited**



**Mr. Anil Mehta**  
Liquidator  
IP registration no. IBBI/IPA - 001/IP -  
P00749/2017-2018/11282

Place : Mumbai  
Date : 26<sup>th</sup> March, 2021

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

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

(Rs. in Lakhs unless otherwise stated)

Particulars		Note No	For the year ended 31.03.2020	For the year ended 31.03.2019
I	Revenue From Operations	24	23,155.17	38,634.33
II	Other Income	25	1,504.05	5,397.44
III	<b>Total Income (I+II)</b>		<b>24,659.23</b>	<b>44,031.77</b>
IV	<b>EXPENSES</b>			
	Cost of materials consumed	26	379.63	13,862.95
	Construction & Operating Expenses	27	22,995.95	37,474.33
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	28	-	7,798.84
	Employee benefits expense	29	1,235.00	2,028.76
	Finance costs	30	223.02	78,839.05
	Depreciation and amortization expense	31	2,829.04	3,810.01
	Other expenses	32	3,220.40	57,211.60
	<b>Total expenses (IV)</b>		<b>30,883.04</b>	<b>2,01,025.54</b>
V	<b>Profit/(loss) before exceptional items and tax (III- IV)</b>		<b>(6,223.82)</b>	<b>(1,56,993.77)</b>
VI	Exceptional Items			
VII	<b>Profit/(loss) before tax (V-VI)</b>		<b>(6,223.82)</b>	<b>(1,56,993.77)</b>
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
IX	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>(6,223.82)</b>	<b>(1,56,993.77)</b>
X	Profit/(loss) from discontinued operations			
XI	Tax expense of discontinued operations			
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII	<b>Profit/(loss) for the period (IX+XII)</b>		<b>(6,223.82)</b>	<b>(1,56,993.77)</b>
XIV	Share in profit/(loss) of joint ventures/ associates (net)		(125.73)	(4,656.06)
XV	Adjustments for non-controlling interest in subsidiaries		-	-
XVI	<b>Net profit after tax, non-controlling interest and share in profit/(loss) of joint ventures/ associates (XIII+XIV+XV) (PAT)</b>		<b>(6,349.54)</b>	<b>(1,61,649.83)</b>
XVII	<b>Other Comprehensive Income</b>			
A	(i) Items that will not be reclassified to profit or loss	33	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
B	(i) Items that will be reclassified to profit or loss	34	0.27	(2.36)
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XVIII	<b>Total Comprehensive Income for the period (XVI+XVII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>(6,349.28)</b>	<b>(1,61,652.19)</b>
XIX	<b>Earnings per equity share (Amount in `)</b>			
A	<b>For continuing operation</b>			
	(1) Basic	35	(2.66)	(67.75)
	(2) Diluted		(2.66)	(67.75)
B	<b>For discontinued operation</b>			
	(1) Basic		-	-
	(2) Diluted		-	-
C	<b>For discontinued &amp; continuing operations</b>			
	(1) Basic		(2.66)	(67.75)
	(2) Diluted		(2.66)	(67.75)

See accompanying notes to the financial statements

As per our Report of even date

**For Ramanand & Associates**

Chartered Accountants

ICAI Firm Regn No.: 117776W



**Ramanand Gupta**

Managing Partner

M No: 103975

Place : Mumbai

Date : 26<sup>th</sup> March, 2021

**For Pratibha Industries Ltd**



**Mr. Anil Mehta**

Liquidator

IP registration no. IBBI/IPA - 001/IP - P00749/2017-2018/11282

Place : Mumbai

Date : 26<sup>th</sup> March, 2021

**PRATIBHA INDUSTRIES LTD**

CIN : L45200MH1995PLC090760

**Consolidated Cash Flow Statement for the year ended 31<sup>st</sup> March, 2020**

(Rs. in Lakhs unless otherwise stated)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	(6,349.54)	(1,61,649.83)
Adjustment for :		
Depreciation & Amortization	2,829.04	3,810.01
(Profit)/Loss on Sale of Assets	(607.40)	9,805.28
Finance Charges	223.02	78,839.43
Sundry Balance write Off/(back)	(80.28)	513.47
Unrealised Foreign Exchange Gain	-	(0.38)
Liquidated Damages	945.49	-
Loss on Impairment of Assets	-	29.16
Provision for Doubtful Debts	48.01	14,742.59
BG Encashment Balance Written Off	-	18,515.24
Fixed Asset Written Off	-	6,910.79
Foreign Exchange Fluctuation	-	572.77
Impairment of Goodwill	-	150.00
Share in profit/(loss) of joint ventures/ associates (net)	125.73	4,656.06
Diminution in value of investment on consolidation	-	-
Operating Profit before working Capital Changes	<b>(3,629.34)</b>	<b>(23,194.86)</b>
Adjustment for:		
Inventories	32.67	13,014.89
Trade Receivables	(2,824.32)	5,032.16
Other Assets	(9,039.98)	(8,456.75)
Trade Payables	3,546.47	(10,081.41)
Other Liabilities	10,266.55	(25,021.78)
Minority Interest	-	-
	<b>(1,647.95)</b>	<b>(48,707.75)</b>
Less: Direct Taxes Paid / (Refund Received)	(624.21)	-
<b>Net cash used in Operating Activities (a)</b>	<b>(1,023.75)</b>	<b>(48,707.75)</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Sale of/ (Additions to) Fixed Assets (net) including Capital Advances	1,040.17	17,684.95
Sale of/ (Additions to) Investments (net)	62.79	6,158.16
Term Deposits	(2,400.00)	6,153.27
Interest Income	621.22	1,230.52
<b>Net cash used in investing activities (b)</b>	<b>(675.83)</b>	<b>31,226.91</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid		
Proceeds from Short Term Borrowings (Net)	3,475.70	53,822.60
Finance Charges paid (Net)	(223.02)	(78,839.43)
Interest due	-	57,327.72
Public Deposits and interest accrued thereon	-	134.94
<b>Net cash from Financing Activities (c)</b>	<b>1,825.35</b>	<b>16,772.30</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (a + b + c)</b>	<b>125.77</b>	<b>(708.54)</b>
<b>Opening Cash and Cash Equivalents</b>	<b>2,516.09</b>	<b>3,224.63</b>
<b>Closing Cash and Cash Equivalents</b>	<b>2,641.86</b>	<b>2,516.09</b>

## Notes :

- The above statement has been prepared in indirect method as described in Ind AS-7 issued by ICAI.
- Cash and Cash Equivalent

	As at 31.03.2020	As at 31.03.2019
Cash in hand	1.85	1.59
Balance with Banks	2,645.00	2,519.49
Less: Unpaid Dividend Balance	(4.99)	(4.99)
<b>Total</b>	<b>2,641.86</b>	<b>2,516.09</b>

As per our Report of even date  
**For Ramanand & Associates**  
Chartered Accountants  
ICAI Firm Regn No.: 117776W



**Ramanand Gupta**  
Managing Partner  
M No: 103975

Place : Mumbai  
Date : 26<sup>th</sup> March, 2021

**For Pratibha Industries Ltd**



**Mr. Anil Mehta**  
Liquidator  
IP registration no. IBBI/IPA - 001/IP - P00749/  
2017-2018/11282

Place : Mumbai  
Date : 26<sup>th</sup> March, 2021

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Statement showing changes in Equity for the year ended 31st March, 2020

(Rs. in Lakhs unless otherwise stated)

### A. Equity Share Capital

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
4,771.95	-	4,771.95

### B. Other Equity

	Reserves and Surplus			Exchange differences in translating the financial statements of a foreign operation	Remeasurements of the defined benefit plans	Total
	General Reserve	Securities Premium Reserve	Retained Earnings			
Balance at the beginning of the reporting period	4,392.00	62,442.13	(5,05,188.82)	(117.57)	29.29	(4,38,442.97)
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated balance at the beginning of the reporting period</b>	<b>4,392.00</b>	<b>62,442.13</b>	<b>(5,05,188.82)</b>	<b>(117.57)</b>	<b>29.29</b>	<b>(4,38,442.97)</b>
Total Comprehensive Income for the year	-	-	(6,349.54)	0.27	-	(6,349.28)
<b>Balance at the end of the reporting period</b>	<b>4,392.00</b>	<b>62,442.13</b>	<b>(5,11,538.36)</b>	<b>(117.30)</b>	<b>29.29</b>	<b>(4,44,792.25)</b>

## Statement showing changes in Equity for the period ending 31<sup>st</sup> March, 2019

(Rs. in Lakhs unless otherwise stated)

### A. Equity Share Capital

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
4,771.95	-	4,771.95

### B. Other Equity

	Reserves and Surplus			Exchange differences in translating the financial statements of a foreign operation	Remeasurements of the defined benefit plans	Total
	General Reserve	Securities Premium Reserve	Retained Earnings			
Balance at the beginning of the reporting period	4,392.00	62,442.13	(2,61,423.97)	(115.21)	29.29	(1,94,675.76)
Changes in accounting policy or prior period errors	-	-	(82,115.03)	-	-	(82,115.03)
<b>Restated balance at the beginning of the reporting period</b>	<b>4,392.00</b>	<b>62,442.13</b>	<b>(3,43,538.99)</b>	<b>(115.21)</b>	<b>29.29</b>	<b>(2,76,790.79)</b>
Total Comprehensive Income for the year	-	-	(1,61,649.83)	(2.36)	-	(1,61,652.19)
<b>Balance at the end of the reporting period</b>	<b>4,392.00</b>	<b>62,442.13</b>	<b>(5,05,188.82)</b>	<b>(117.57)</b>	<b>29.29</b>	<b>(4,38,442.97)</b>

### C. Non-controlling interests

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
1,289	(1289)	-

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Consolidated Financial Statements

### Company Overview

Pratibha Industries Limited (the Holding Company) is a limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at Shrikant Chambers Phase – II, 5th Floor, Sion, Trombay Road, Next To R. K. Studio, Chembur, Mumbai – 400 071, India.

The Holding Company and its group entities undertake infrastructure projects, which includes designing, engineering and execution/construction of complex & integrated water transmission & distribution projects, water treatment plants, elevated and underground reservoirs, mass housing projects, commercial complexes, pre-cast design & construction, road construction and urban infrastructure.

The 'Corporate Insolvency Resolution Process' ("CIRP") had been initiated in respect of the Holding Company under the provisions of "The Insolvency and Bankruptcy Code, 2016" ('IBC' / 'the Code') by the National Company Law Tribunal ("NCLT"), Mumbai bench, vide its order dated February 01, 2019. Application by the Resolution Professional for extension of further 90 days beyond 180 days, for completion of 'Corporate Insolvency Resolution Process' ("CIRP") of the Holding Company, had been accepted by National Company Law Tribunal ("NCLT"), Mumbai bench, vide its order dated July 17, 2019. Post the balance sheet date, in view of no resolution plan having been approved before the expiry of extended time limit for completion of CIRP, the Resolution Professional has filed an application with the NCLT, for the liquidation of the Holding company.

The NCLT vide order dated 8th February, 2021 read with order dated 1st March, 2021 under the provisions of the IBC allowed liquidation of the holding company. Vide the said order, Mr. Anil Mehta has been appointed as the Liquidator to carry out the liquidation process of the holding company. Upon his appointment, the Liquidator has entered upon his duties which includes, inter alia, taking into his custody/ control all the assets and property of the holding company. Further, as per Section 34 (2) of the IBC, all powers of the board of directors and key managerial personnel of the holding company cease to have effect and stand vested in the Liquidator.

The Liquidator has been managing the business and affairs of the holding company for the limited purpose of its beneficial liquidation as a going concern. In doing so, the Liquidator is being assisted by the personnel of the holding company. The Liquidator has not been involved in any manner whatsoever, in the preparation of the financial statements pertaining to the period ended on March 31, 2020. The audited consolidated financial statements for FY 2019-20 have been prepared based on the information/ documents provided by the personnel of the holding company and the Liquidator is not in a position to independently verify the authenticity or veracity of such information/ documents. The financial statements of the subsidiary companies have been prepared and verified by the personnel of the respective subsidiary companies.

### **"LIQUIDATOR DISCLAIMER FOR THE PIL ANNUAL REPORT FOR FY 2020 AND STANDALONE AND CONSOLIDATED RESULTS FOR FY 19-2020"**

The consolidated financial statements for FY 2019-20 were sent to the erstwhile directors of the holding company who have not signed the same. In view of the refusal of the erstwhile directors of the holding company to sign the financial statements and based on representations by the personnel of the holding company regarding authenticity/ veracity of the information/ documents forming the basis of preparation of the financial statements, the Liquidator has taken the financial statements on record for the limited purposes of compliance with the provisions of the Companies Act, 2013 and other applicable laws. The Liquidator has signed the financial statements in bona fide discharge of his duties in order to ensure compliance with the provisions of applicable laws. Approval/ affixing of signatures on these financial statements by the Liquidator should not be construed as endorsement or certification by the Liquidator of any facts or figures provided in the financial statements nor shall the Liquidator be held responsible in any manner for the accuracy, adequacy, correctness, reliability, completeness or otherwise of these financial statements.

## **1 Significant Accounting Policies**

### **I Statement of Compliance**

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016.

For all periods up to and including the year ended 31st March 2020, the Group prepared its consolidated financial statements in accordance with requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP").

### **II Basis of preparation of Consolidated Financial Statements:**

In accordance with the notification issued by the Ministry of Corporate Affairs, the holding company is required to prepare its Consolidated Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1 April, 2016. Accordingly, the holding company has prepared these Consolidated Financial Statements which comprise the Balance Sheet as at 31 March, 2020, the Statement of Profit and Loss, the Statements of Cash Flows and the Statement of Changes in Equity for the year ended 31 March, 2020, and accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements" or "financial statements").

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest lakhs, except otherwise indicated.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value as explained in the accounting policies below.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the holding company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements 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.

### **III Basis of Consolidation:**

The Consolidated Financial Statements relate to Pratibha Industries Limited (the holding company), its subsidiary companies, the interest of the holding company in joint ventures in the form of jointly controlled entities and associates.

The Financial Statements of the holding company, its subsidiary companies (which are not in the nature of joint ventures) and joint ventures in the nature of subsidiaries (based on control) have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. The intra group balances and intra group transactions and unrealized profits or losses resulting from intra group transactions are fully eliminated.

The Financial Statements of the subsidiary companies and the joint venture companies (JVCs) used in the preparation of the Consolidated Financial Statements are drawn upto the same reporting date as that of the Company i.e. 31st March, 2020.

In case of foreign subsidiaries, income & expenses are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the exchange fluctuation in Other Comprehensive Income.

The difference between the cost of investment in the subsidiaries and the holding company's share of net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statement as Goodwill or Capital Reserve as the case may be.

Minority Interest's share of net profit for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the holding company. Minority Interest's share of net assets is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the holding company's shareholders.

The Consolidated Financial Statements include the interest of the holding company in JVCs (Jointly controlled entities), which has been accounted for using the proportionate method prescribed by Ind AS 31- "Interests in Joint Ventures".

Investments in associate companies and Joint Ventures have been accounted for by using equity method whereby investment is initially recorded at cost and the carrying amount is adjusted thereafter for post-acquisition change in the holding company's share of net assets of the associate. The carrying amount of investment in associate companies is reduced to recognize any decline, which is other than temporary in nature and such determination of decline in value, if any, is made for each investment individually. The unrealized profits/losses on transactions with associate companies are eliminated by reducing the carrying amount of investment.

When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.



**IV Intangible assets:**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the holding company and the cost of the assets can be measured reliably.

The amortisation period for an intangible assets with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period and are treated as changes in accounting estimates.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Computer Software is amortised over a period of 5 years. However, this year, management has decided to impair entire balance of the software considering the fact that the Holding company is under Liquidation process.

**V Non-Controlling Interest**

Under Ind AS, profit or loss and each component of other comprehensive income is attributed to the owners of the parent and to the non-controlling interest (NCI) even if this results in the non-controlling interest having a deficit balance. Under previous GAAP, the excess of such losses attributable to NCI over its interest in the equity of the subsidiary were attributed to the owners of the parent.

**VI Other significant accounting policies**

These are set out under "Significant Accounting Policies" as given in the holding company's separate financial statements.

**PRATIBHA INDUSTRIES LTD**

CIN : L45200MH1995PLC090760

**Notes forming part of Consolidated Financial Statements**

(Rs. in Lakhs unless otherwise stated)

**2 Property, Plant and Equipment**

Particulars	Gross Block				Depreciation				Net Block	
	01-04-2019	Additions	Deduction	31-03-2020	01-04-2019	Additions	Deduction	31-03-2020	31-03-2020	31-03-2019
(a) Land	404.96	-	-	404.96	-	-	-	-	404.96	404.96
(b) Buildings	0.00	-	-	0.00	0.00	-	-	0.00	0.00	0.00
(c) Plant and Equipment	47,108.77	-	-	47,108.77	10,756.45	2,641.40	-	13,397.85	33,710.91	36,352.31
(d) Furniture and Fixtures	267.01	-	-	267.01	118.89	36.43	-	155.32	111.69	148.12
(e) Vehicles	796.08	-	-	796.08	313.64	90.44	-	404.08	392.00	482.44
(f) Office equipment	42.73	-	-	42.73	29.71	0.01	-	29.72	13.01	13.02
(g) Computer	104.20	-	-	104.20	86.67	0.09	-	86.76	17.44	17.53
(h) Electrical Installation	49.57	-	-	49.57	27.31	6.16	-	33.47	16.10	22.26
(h) Office Premises	585.44	-	474.94	110.50	41.22	10.30	41.34	10.18	100.32	544.23
<b>Total</b>	<b>49,358.75</b>	<b>-</b>	<b>474.94</b>	<b>48,883.81</b>	<b>11,373.89</b>	<b>2,784.83</b>	<b>41.34</b>	<b>14,117.37</b>	<b>34,766.43</b>	<b>37,984.86</b>
Previous Year	72,876.04	-	23,517.29	49,358.75	12,825.52	3,798.10	5,249.74	11,373.89	37,984.86	60,050.51

2.1 - Refer Note No.:38, 46,47

**3 Other Intangible assets**

Particulars	Gross Block				Depreciation				Net Block	
	01-04-2019	Additions	Deduction	31-03-2020	01-04-2019	Additions	Deduction	31-03-2020	31-03-2020	31-03-2019
(a) Computer software	279.65	-	-	279.65	235.44	44.21	-	279.65	-	44.21
(b) Lease Right	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>279.65</b>	<b>-</b>	<b>-</b>	<b>279.65</b>	<b>235.44</b>	<b>44.21</b>	<b>-</b>	<b>279.65</b>	<b>-</b>	<b>44.21</b>
Previous Year	17,334.19	-	17,054.54	279.65	2,003.23	11.90	1,779.70	235.44	44.21	15,330.96

3.1 - Refer Note No.: 1(IV).

*\*The management has impaired the entire value of Lease rights in the books of Prime Infra Park Private Limited & the same has been transferred to claims receivable under "Others" in Non Current Financial Assets - Refer Note No. 6*

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Consolidated Financial Statements

(Rs. in Lakhs unless otherwise stated)

<b>4 Investments</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
<b>Unquoted</b>		
<u>In equity shares - Fully paid up</u>		
2,660 (2660) Abhyudaya Co Op. Bank Ltd	0.27	0.27
1,71,350 (1,71,350) Janakalyan Sahakari Bank Ltd	17.14	17.14
5 (5) the Greater Bombay Co-op. Bank Ltd.	0.00	0.00
100 (100) Baramati Tollways Pvt. Ltd.	0.01	0.01
 <u>In equity shares of Subsidiaries - Fully paid up</u>		
5,100 (5,100) Bhopal Sanchi Highways Pvt. Ltd.	-	-
 <u>Investment in Associate Companies</u>		
Saudi Pratibha Industries LLC	69.67	69.67
Less: Diminution in value of investment in associate	(69.67)	(69.67)
 Investment in Joint ventures	4,648.80	4,837.32
 <b>Quoted</b>		
Investment in Gold Coins	3.15	3.15
 <b>Total</b>	<b>4,669.36</b>	<b>4,857.87</b>
 <b>Aggregate value of</b>		
Quoted Investments	3.15	3.15
Market Value - Quoted Investments	3.15	3.15
Unquoted Investments	4,735.89	4,924.40
Impairment in value of investments	(69.67)	(69.67)
 <b>5 Loans</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Security Deposits		
Secured, considered good	-	-
Unsecured, considered good	78.16	152.96
Doubtful	1,353.51	1,353.52
Less: Provision for Doubtful Deposit Others	(1,353.51)	(1,353.52)
 <b>Total</b>	<b>78.16</b>	<b>152.96</b>
5.1 Refer Note No. 47, 51 and 52		
 <b>6 Others</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Term deposits with more than 12 months maturity	1,043.49	1,043.49
Claim Receivable	15,243.87	15,243.87
 <b>Total</b>	<b>16,287.36</b>	<b>16,287.36</b>
6.1. For details on margin money refer note 11.1		
6.2. For details on Claim Receivable, Refer Note No. 44		

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Consolidated Financial Statements

(Rs. in Lakhs unless otherwise stated)

<b>4</b>	<b>Investments</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
<b>7</b>	<b>Other Non-Current Assets</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
	Capital Advances	126.27	125.43
	Balance with statutory/ Government Authorities	34,149.66	31,410.28
	Others	1.67	1.67
	<b>Total</b>	<b>34,277.59</b>	<b>31,537.38</b>
<b>8</b>	<b>Inventories</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
	Raw materials	34.47	67.14
	Work-in-progress	1,32,266.83	1,32,266.83
	<b>Total</b>	<b>1,32,301.30</b>	<b>1,32,333.98</b>
	8.1 Refer Note No. 47		
<b>9</b>	<b>Trade Receivables</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
	Secured, considered good	-	-
	Unsecured, considered good	9,996.78	8,134.10
	Doubtful	8,807.95	8,791.79
	Less: Provision for Doubtful debts	(8,807.95)	(8,791.79)
	<b>Total</b>	<b>9,996.78</b>	<b>8,134.10</b>
	9.1 Unsecured Trade Receivables, considered good by the management.		
	9.2 Refer Note No. 51, 52 and 55		
<b>10</b>	<b>Cash and Cash Equivalents</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
	Balances with Banks	2,645.00	2,519.49
	Cash on hand	1.85	1.59
	<b>Total</b>	<b>2,646.85</b>	<b>2,521.08</b>
	Balances with bank in unpaid dividend accounts	1.72	4.99
	10.1. Refer Note no. 51		
<b>11</b>	<b>Bank Balances</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
	Term Deposits for less than 12 months	3,568.04	1,168.04
	<b>Total</b>	<b>3,568.04</b>	<b>1,168.04</b>
	Balances with bank held as margin money deposit against guarantees / Letter of Credit	2,231.12	2,231.12
	Balances with bank held as collateral securities	-	-
	Balances with bank held as investment in liquid assets for Public deposits maturity.	-	-

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Consolidated Financial Statements

(Rs. in Lakhs unless otherwise stated)

### 4 Investments

11.1. Term Deposit (including with maturity more than 12 months # Note 6) as on March 31, 2020 and March 31, 2019 include restricted balances of Rs 2,231.12 Lakhs. The restrictions are primarily on account of Bank balances held as margin money deposits against guarantees, as collateral security, unclaimed dividends and as investment in liquid assets for Public deposits maturity.

### 12 Loans

Retention & Security Deposits

Secured, considered good

Unsecured, considered good

Doubtful

Less: Provision for Doubtful Deposit

Loans & Advances to Employees

**Total**

12.1 Refer Note No. 47, 51 and 52

### 13 Others

Interest Accrued But Not Due

Loans & Advances to Related Parties

Secured, considered good

Unsecured, considered good

Doubtful

Less: Provision for Doubtful Debts\*Related Parties

Other assets

**Total**

13.1. Refer Note no. 37, 47, 51 and 52

### 14 Other Current Assets

Advances

Mobilisation Advance

Advances to suppliers

Secured, considered good

Unsecured, considered good

Doubtful

Prepaid Expenses

Other Current Assets

**Total**

	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
<b>Total</b>	<b>43,592.40</b>	<b>42,639.05</b>
	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Interest Accrued But Not Due	221.50	79.30
Loans & Advances to Related Parties		
Secured, considered good	-	-
Unsecured, considered good	12,002.55	12,026.52
Doubtful	27.87	-
Less: Provision for Doubtful Debts*Related Parties	(27.87)	-
Other assets	1,216.24	1,216.24
<b>Total</b>	<b>13,440.29</b>	<b>13,322.06</b>
	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Mobilisation Advance	117.81	117.81
Advances to suppliers		
Secured, considered good	-	-
Unsecured, considered good	21,355.44	16,499.56
Doubtful	-	-
Prepaid Expenses	154.33	33.57
Other Current Assets	57.90	57.58
<b>Total</b>	<b>21,685.48</b>	<b>16,708.51</b>

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

### 15 Equity Share Capital

#### AUTHORIZED CAPITAL

35,00,00,000 (Previous Periods 35,00,00,000) Equity Shares of Rs 2/- Each

As at 31.03.2020	As at 31.03.2019
---------------------	---------------------

7,000.00	7,000.00
----------	----------

<b>7,000.00</b>	<b>7,000.00</b>
-----------------	-----------------

#### ISSUED , SUBSCRIBED & PAID UP CAPITAL

23,85,97,348 (P.Y. 23,85,97,348) Equity shares of Rs 2/- Each fully paid up

4,771.95	4,771.95
----------	----------

#### Total

<b>4,771.95</b>	<b>4,771.95</b>
-----------------	-----------------

### 16 Other Equity

Retained Earnings

(5,11,538.36)	(5,05,188.82)
---------------	---------------

#### Other Reserves

Securities Premium Reserve

62,442.13	62,442.13
-----------	-----------

General Reserve

4,392.00	4,392.00
----------	----------

Remeasurements of the defined benefit plans

29.29	29.29
-------	-------

Exchange differences in translating the financial statements of a foreign operation

(117.30)	(117.57)
----------	----------

#### Total

<b>(4,44,792.25)</b>	<b>(4,38,442.97)</b>
----------------------	----------------------

### 17 Borrowings

#### Term Loans

From Financial Institutions

88.06	135.50
-------	--------

#### Total

<b>88.06</b>	<b>135.50</b>
--------------	---------------

#### The above amount includes

Secured Borrowings

-	-
---	---

Unsecured Borrowings

88.06	135.50
-------	--------

Secured by Personal Guarantee by Promoters/ Directors

-	-
---	---

17.1. Foreign Currency Loans are repayable in 1 to 2 years at interest rates ranging from 2.98% p.a. to 5.15% p.a. These loans are secured by first charges on specific assets financed by the lender. Further, loans are guaranteed by the personal guarantees of promoter directors of the company. Entire loan amounts have been matured and transferred to Current maturities of long term debt.

17.2. Rupee Loans from banks are repayable in 3 to 5 years at interest rates ranging from 11.00% p.a. to 13.35% p.a. These loans are secured by first charges on specific assets financed by the lender. Further, loans are guaranteed by the personal guarantees of promoter directors of the company. Entire loan amounts have been matured and transferred to Current maturities of long term debt.

17.3. Rupee Loans from Financial Institutions are repayable in 3 years to 4 year from the date of loan at interest rates ranging from 12% p.a. to 14.00% p.a. . These loans are secured by first charges on specific assets financed by the lender. Further, loans are guaranteed by the personal guarantees of promoter directors of the company.

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

17.4. Fixed Deposit from Public are repayable in 2 to 3 years from the date of deposit at an interest rates ranging from 11.50% p.a. to 12.50%p.a. These deposits are unsecured in nature. All FDs have become payable. Refer Note no. 21 under the head 'Unpaid matured deposits and interest accrued thereon'.

17.5. Period and amount of continuing default in repayment of loans as on 31.03.2020:-

<b>Name</b>	<b>Amount of Default</b>	<b>Days of Default</b>
Allahabad Bank	5,472.00	91 – 1461
Bank of Baroda	3,000.00	700 – 1154
Bank Of Maharashtra	10,000.00	790-1431
LIC Housing Finance Corporation	3,260.84	30-1033
Central Bank of India	3,813.75	30-1033
Export Import Bank Of India	12,100.00	1095-1460
BMW Financial Services	2.48	396-424
Daimler Financial Services	34.00	29-729
YES Bank	227.50	90- 638

### 18 Provisions

	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Provision for Gratuity	159.01	159.01
<b>Total</b>	<b>159.01</b>	<b>159.01</b>

### 19 Deferred Tax Liabilities

	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
<u>Deferred Tax Liability</u>		
- On account of Depreciation difference	3,533.36	3,430.67
- On account of Fair Value of Investment in Gold	0.09	0.09
<u>Deferred Tax Asset</u>		
- On Account of Losses	(3,533.46)	(3,430.76)
<b>Total</b>	<b>-</b>	<b>-</b>

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

20 Borrowings	As at	As at
	31.03.2020	31.03.2019
Rupee loan from banks	3,81,417.17	3,77,941.47
Deferred Payment Liabilities	1,435.77	1,435.77
<b>Total</b>	<b>3,82,852.94</b>	<b>3,79,377.24</b>

The above amount includes

Secured Borrowings	3,81,417.17	3,77,941.47
Unsecured Borrowings	1,435.77	1,435.77
Secured by Personal Guarantee by Promoters/ erstwhile Directors	3,81,417.17	3,77,941.47

20.1. Rupee loan taken from various banks at interest rates ranging from 11.00% p.a. to 13.35% p.a. These loans are secured against i) first charge by hypothecation of current assets (other than those specifically charged to other banks), namely stock of raw materials, work-in-progress and receivables, ii) First charge on the gross block (other than those specifically charged to other banks) iii) Project specific current assets and iv) Personal guarantees of Promoter-Directors of the company.

21 Other Financial Liabilities	As at	As at
	31.03.2020	31.03.2019
Current maturities of long-term debt*	1,66,765.06	1,68,144.95
Interest due but not paid	1,13,796.43	1,13,796.43
Unpaid dividends	1.72	4.99
Unpaid matured deposits and interest accrued thereon**	3,057.88	3,057.88
Creditors for Capital expenses	253.47	261.46
Security Deposits	21,372.55	22,472.80
Advances From Related Parties#	1,545.03	1,573.57
Other Payables	12,454.97	9,921.59
<b>Total</b>	<b>3,19,247.11</b>	<b>3,19,233.66</b>

21.1. \* Refer Note No. 17.1, 17.2, 17.3 for terms and securities

21.2. \*\* Refer Note No. 17.4 for terms and securities

21.3. # Refer Note no. 37 and 51

21.4. Refer Note no 51

22 Other Current Liabilities	As at	As at
	31.03.2020	31.03.2019
Revenue received in advance	6,843.44	615.48
Mobilisation advance	1,302.84	1,299.86
Withholding & other taxes payable	17,400.10	14,890.41
<b>Total</b>	<b>25,546.38</b>	<b>16,805.75</b>

23 Provisions	As at	As at
	31.03.2020	31.03.2019
Provision for Gratuity	143.95	143.95
<b>Total</b>	<b>143.95</b>	<b>143.95</b>



# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

<b>24</b>	<b>Revenue From Operations</b>	<b>For the year ended 31.03.2020</b>	<b>For the year ended 31.03.2019</b>
	Construction and allied revenue	23,150.47	38,634.33
	<u>Other Operating Revenue</u>		
	Sale of Scrap	4.70	-
	<b>Total</b>	<b>23,155.17</b>	<b>38,634.33</b>
<b>25</b>	<b>Other Income</b>	<b>For the year ended 31.03.2020</b>	<b>For the year ended 31.03.2019</b>
	Interest Income	763.41	389.64
	Profit on sale of Fixed Assets	607.40	3.68
	Sundry Balance Written Back	132.58	4,877.60
	Other non-operating income	0.67	126.53
	<b>Total</b>	<b>1,504.05</b>	<b>5,397.44</b>
<b>26</b>	<b>Cost of materials consumed</b>	<b>For the year ended 31.03.2020</b>	<b>For the year ended 31.03.2019</b>
	Raw Material Stock at the beginning of the period	67.14	5,283.19
	Add :- Purchases during the year	346.96	8,646.90
		414.10	13,930.09
	Less : Raw Material Stock at the end of the period	34.47	67.14
	<b>Total</b>	<b>379.63</b>	<b>13,862.95</b>
<b>27</b>	<b>Construction &amp; Operating Expenses</b>	<b>For the year ended 31.03.2020</b>	<b>For the year ended 31.03.2019</b>
	Consumption of Stores & Spares	-	6.53
	Sub-contract & Labour Charges	22,872.62	37,223.31
	Repairs & Maintenance - Machinery	20.70	24.54
	Equipment Hire Charges	7.51	44.15
	Power & Fuel Charges	-	39.50
	Freight Inwards	56.15	0.50
	Clearing & Forwarding Charges	-	1.34
	Site Mobilisation Expenses	-	0.05
	Other Expenses	38.97	134.40
	<b>Total</b>	<b>22,995.95</b>	<b>37,474.33</b>
<b>28</b>	<b>Changes in inventories of finished goods, Stock-in -</b>	<b>For the year ended 31.03.2020</b>	<b>For the year ended 31.03.2019</b>
	<u>Inventory at the end of the period</u>		
	Construction Work-In-Progress	1,32,266.83	1,32,266.83
	<u>Inventory at the beginning of the period</u>		
	Construction Work-In-Progress.	1,32,266.83	1,40,065.67
	<b>Total</b>	<b>-</b>	<b>7,798.84</b>

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

<b>29</b>	<b>Employee benefits expense</b>	<b>For the year ended 31.03.2020</b>	<b>For the year ended 31.03.2019</b>
	Contribution to PF & other fund	38.95	47.23
	Salaries & Wages	1,191.70	1,967.32
	Staff Welfare Expenses	4.35	14.22
	Gratuity Expenses	-	-
	<b>Total</b>	<b>1,235.00</b>	<b>2,028.76</b>
<b>30</b>	<b>Finance costs</b>	<b>For the year ended 31.03.2020</b>	<b>For the year ended 31.03.2019</b>
	Interest	11.13	70,586.93
	Exchange differences regarded as an adjustment to borrowing costs	-	(0.38)
	LC & Bill Discounting Charges	-	-
	Other borrowing costs	211.89	8,252.50
	<b>Total</b>	<b>223.02</b>	<b>78,839.05</b>
<b>31</b>	<b>Depreciation and amortization expense</b>	<b>For the year ended 31.03.2020</b>	<b>For the year ended 31.03.2019</b>
	Depreciation	2,784.83	3,798.10
	Amortization	44.21	11.90
	<b>Total</b>	<b>2,829.04</b>	<b>3,810.01</b>
<b>32</b>	<b>Other expenses</b>	<b>For the year ended 31.03.2020</b>	<b>For the year ended 31.03.2019</b>
	Advertising & Business Promotion Expenses	0.16	0.21
	Auditors Remuneration	2.00	10.00
	Commission & Brokerage Expenses	-	0.01
	Computer & Software Expenses	10.52	29.12
	Electricity Charges	22.82	19.95
	General Expenses	79.05	6.96
	Insurance Charges	47.33	185.54
	Legal Fees & Professional Charges	1,252.91	278.70
	Loss on Sale of Fixed Asset	-	9,808.96
	Postage & Courier Charges	1.79	1.24
	Printing & Stationery	1.43	3.50
	Rates & Taxes	233.91	116.76
	Rent	346.98	123.79
	Loss on Impairment of Assets	-	29.16
	Repairs & Maintenance - Office	48.22	70.95
	Security Service Charges	31.59	165.00
	Sundry Balance Written Off (Net)	52.30	5,391.06

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

	Liquidated Damages	945.49	-
	Travelling & Visa Expenses	20.68	28.64
	Provision for Doubtful Debts	85.88	14,742.59
	BG Encashment Balance Written Off	0.00	18,515.24
	Fixed Asset Writen Off	-	6,910.79
	Telephone & Internet Expenses	8.81	19.82
	Vehicle Expenses	28.53	30.84
	Foreign Exchange Fluctuation	-	572.77
	Impairment of Goodwill	-	150.00
	<b>Total</b>	<b>3,220.40</b>	<b>57,211.60</b>
<b>33</b>	<b>Items that will not be reclassified to profit or loss</b>	<b>For the year ended 31.03.2020</b>	<b>For the year ended 31.03.2019</b>
	Changes in revaluation surplus	-	-
	Remeasurements of the defined benefit plans	-	-
	Equity Instruments through Other Comprehensive Income	-	-
	Fair value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss	-	-
	Share of Other Comprehensive Income in Associates and Joint Ventures, to the extent not to be classified into profit or loss	-	-
	Others items	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>
<b>34</b>	<b>Items that will be reclassified to profit or loss</b>	<b>For the year ended 31.03.2020</b>	<b>For the year ended 31.03.2019</b>
	Exchange differences in translating the financial statements of a foreign operation	0.27	(2.36)
	Debt Instruments through Other Comprehensive Income	-	-
	The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
	Share of Other Comprehensive Income in Associates and Joint Ventures, to the extent to be classified into profit or loss	-	-
	Others item	-	-
	<b>Total</b>	<b>0.27</b>	<b>(2.36)</b>
<b>35</b>	<b>Earnings Per Share</b>	<b>For the year ended 31.03.2020</b>	<b>For the year ended 31.03.2019</b>
	Profit/(Loss) attributable to Equity shareholders	(6,349.28)	(1,61,652.19)
	<u>Weighted Average Number of Shares for Basic and Diluted EPS</u>	2,385.97	2,385.97
	Basic EPS (Amount in Rs.)	(2.66)	(67.75)
	Diluted EPS (Amount in Rs.)	(2.66)	(67.75)

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Consolidated Financial Statements

(Rs. in Lakhs unless otherwise stated)

36 <b>Contingent Liabilities:</b>	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
a) Bank Guarantee	39,075.18	49,776.51
b) Corporate Guarantee	370	370
c) Income Tax liability (excluding Penalties) that may arise. The matters are in appeal and since ITAT has passed favorable orders in past, the liability may not arise. Accordingly no provision has been made.*	33,900.92	37,974.68
d) Cases in the court, which in the	18,021.22	19106.51

36.1 Corporate Guarantee amounting to Rs. 13,574.91 lakhs given by the Company for it's wholly owned subsidiary Prime Infrapark Pvt Ltd in favour of LIC Housing Finance Ltd has been invoked by the latter on August 16, 2019 under CIRP.

36.2 The Liquidator is of the opinion that claims for performance guarantee will not arise related to the projects executed previously.

36.3 There could be additional tax liability under Central Sales Tax Act on account of non submission of C Forms for pending assessments for the period upto June 2017. Since the holding company is in liquidation, it is expected that no such liability will arise/ payable by the holding company.

36.4 In respect of court cases filed against the group, appeal matters related to Excise, Service tax, Sales tax and Customs contingent liability amount could not be ascertained in absence of complete records and information about the status of the same. Since the holding company is in liquidation, it is expected that no such liability will arise/ payable by the holding company.

36.5 During CIRP period, the RP has received following claims from statutory authorities against which no litigations were pending:

Name of Statutory Authority	Amount Claimed	Claims Verified*
GST Department - Maharashtra (VAT, CST) - FY 2015-16 and FY 2016-17	4,376.28	4,376.28
Assistant Commissioner of Customs, EPCG (Monitoring Cell), Export, New Customs House, Ballard Estate, Mumbai	120.62	120.62
Commissioner of Customs (NS-II), JNCH, Nhava Sheva, Mumbai	2,815.74	-
Office of the Director General of GST Intelligence, Mumbai Zonal Unit	3,483.02	19.18
Assistant Commissioner of Income Tax (TDS) - (2)(1), Mumbai	3,317.47	3,317.47
Recovery Officer, Employee Provident Fund Organization, Delhi (East)	2,139.81	-
Deputy Excise and Taxation Commissioner (ST), Gurugram, South	774.37	774.37
Regional Provident Fund Commissioner - I, Employee Provident Fund Organization, Regional Office Delhi (East)	39.34	-
<b>Total</b>	<b>17,085.67</b>	<b>8,626.94</b>

\*Only claims which have been submitted and verified have been included in the above list.

These amounts are not reconciled with balances appearing in Books of accounts.

36.6 During CIRP period, the RP has received following claims from statutory authorities against which litigations were pending:

Name of Statutory Authority	Amount Claimed	Claims Verified*
Deputy Commissioner of Commercial Taxes, Bangalore, Karnataka VAT - FY 2010-11 and FY 20	2,451.86	2,451.86
GST Department - Maharashtra (VAT,	3,780.67	3,780.67
GST Department - Maharashtra (VAT,	5,941.03	5,941.03
Deputy Commissioner of Income Tax -	17,600.56	17,600.56
Assistant Commissioner of CGST &	3,431.52	3,431.52
GST Department - Maharashtra (VAT,	1,910.44	1,910.44
<b>Total</b>	<b>35,116.08</b>	<b>35,116.08</b>

\*Only claims which have been submitted and verified have been included in the above list.

# The outcome of the case is not known to the Resolution Professional.

## No provisions have been made in the Books of accounts in absence of complete details and records.

36.7 The Company has filed court cases against various parties for claiming Rs. 2,258.51 Lakhs. These matters are under litigation and outcome will be known in due course of time. The Management is hopeful that substantial amount will be allowed as claim in favor of the Company.

### 37 **Related Party Disclosure:**

37.1. As per the Ind AS 24, details of related parties & transactions with them are given below:

#### **Subsidiary Company**

Bhopal Sanchi Highways Pvt. Ltd.

#### **Associate**

Saudi Pratibha Industries Limited

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Consolidated Financial Statements

(Rs. in Lakhs unless otherwise stated)

### Joint Ventures

Petron Pratibha JV  
Pratibha JV  
Pratibha Ostu Stettin JV  
Pratibha Rohit JV  
Patel Pratibha JV  
Pratibha Unity JV  
MEIL Saisudhir Pratibha JV  
Pratibha China State JV  
Niraj Pratibha JV  
Unity Pratibha Consortium

Pratibha GIN KJI Consortium  
Pratibha Membrane Filters JV  
Pratibha Pipes & Structural Consortium  
Gammon Pratibha JV  
KBL PIL Consortium  
Pratibha Jain Irrigation Navana JV  
Pratibha Ranjit JV  
Pratibha CSL Sudhir Constructions JV  
TCPL Pratibha JV  
Overseas Infrastructure Alliance - Pratibha Industries Ltd. Consortium

### Key Managerial Personnel

Mr. K.H. Sethuraman (CFO- resigned in the month of January 2020)  
Mrs. Bhavana D. Shah (CS- resigned in the month of October 2019)

Note: In view of the CIRP and subsequent liquidation process of the company, the erstwhile directors, their relatives and companies over which they had control/ significant influence are not considered as Related parties and accordingly not disclosed in the above table. Further there were no transactions with these parties during the FY 2019-20.

### 37.2. Disclosure of related party transactions:

#### Subsidiaries

##### Loan/Advance given/ (received)

Bhopal Sanchi Highways Pvt. Ltd.

##### Total

	FY 2019-20	FY 2018-19
Bhopal Sanchi Highways Pvt. Ltd.	-	4.01
<b>Total</b>	<b>-</b>	<b>4.01</b>

#### Joint Ventures

##### Interest & Other Incomes received / receivable

TCPL Pratibha JV (Nepal)  
Pratibha Ranjit JV  
Niraj Pratibha JV  
Pratibha China State JV

##### Total

	FY 2019-20	FY 2018-19
TCPL Pratibha JV (Nepal)	-	81.70
Pratibha Ranjit JV	-	23.56
Niraj Pratibha JV	66.84	-
Pratibha China State JV	26.73	-
<b>Total</b>	<b>93.57</b>	<b>105.26</b>

##### Loan/Advance given/ (received) (net)

MEIL Saisudhir Pratibha JV  
Niraj Pratibha JV  
Pratibha China State JV

##### Total

	FY 2019-20	FY 2018-19
MEIL Saisudhir Pratibha JV	-	(19.32)
Niraj Pratibha JV	3.02	-
Pratibha China State JV	0.89	-
<b>Total</b>	<b>3.91</b>	<b>(19.32)</b>

##### Loan/Advance accepted/ (repaid)

Niraj Pratibha JV

##### Total

	FY 2019-20	FY 2018-19
Niraj Pratibha JV	-	(8.33)
<b>Total</b>	<b>-</b>	<b>(8.33)</b>

##### Investment made/(received)

Pratibha Membrane Filters JV

##### Total

	FY 2019-20	FY 2018-19
Pratibha Membrane Filters JV	(62.79)	-
<b>Total</b>	<b>(62.79)</b>	<b>-</b>

#### Key Managerial Personnel & their Relatives

##### Salaries

Mr. K.H. Sethuraman  
Mrs. Bhavana D. Shah

##### Total

	FY 2019-20	FY 2018-19
Mr. K.H. Sethuraman	42.30	60.24
Mrs. Bhavana D. Shah	5.87	11.28
<b>Total</b>	<b>48.18</b>	<b>71.51</b>

### 37.3. Amount due to/ from related party

#### Subsidiaries

##### Investments held by the Company

Bhopal Sanchi Highways Pvt. Ltd.

	FY 2019-20	FY 2018-19
Bhopal Sanchi Highways Pvt. Ltd.	0.51	0.51

# Pratibha Industries Limited

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## Notes forming part of Consolidated Financial Statements

(Rs. in Lakhs unless otherwise stated)

### Loans and Advances Given

Bhopal Sanchi Highways Pvt. Ltd.

FY 2019-20	FY 2018-19
7,350.70	7,350.70

### Associate / Affiliates

#### Investments held by the Company

Saudi Pratibha Industries Ltd.

FY 2019-20	FY 2018-19
69.67	69.67

### Loans and Advances Given

Saudi Pratibha Industries Ltd.

FY 2019-20	FY 2018-19
94.81	94.81

### Joint Ventures

#### Investments held by the Company

Niraj Pratibha JV

Patel Pratibha JV

Pratibha China State JV

Pratibha JV

Pratibha Membrane Filters JV

Pratibha Ostu Stettin JV

Pratibha Pipes & Structural Consortium

Pratibha Rohit JV

Unity Pratibha Consortium

FY 2019-20	FY 2018-19
6,611.52	6,546.34
37.07	37.07
(3,089.05)	(3,088.51)
(2.95)	56.30
506.78	569.58
127.97	161.49
(0.33)	0.62
(64.96)	(64.96)
522.75	619.40
<b>4,648.80</b>	<b>4,837.32</b>

### Total

### Retention Deposit Given

Patel Pratibha JV

FY 2019-20	FY 2018-19
180.07	180.07

### Total

FY 2019-20	FY 2018-19
<b>180.07</b>	<b>180.07</b>

### Trade Receivables

Pratibha China State JV

Pratibha GIN KJI Consortium

Pratibha Ostu Stettin JV

FY 2019-20	FY 2018-19
1,670.59	1,643.87
4.51	4.51
2,028.75	2,028.75
<b>3,703.85</b>	<b>3,677.13</b>

### Total

### Mobilisation Advance Received

Pratibha China State JV

FY 2019-20	FY 2018-19
479.99	479.99

### Total

FY 2019-20	FY 2018-19
<b>479.99</b>	<b>479.99</b>

### Loans and Advances Given

Pratibha Rohit JV

KBL PIL Consortium

MEIL Saisudhir Pratibha JV

Pratibha Pipes & Structural Consortium

FY 2019-20	FY 2018-19
0.07	0.07
43.89	43.89
122.35	122.35
4.04	4.04
<b>170.34</b>	<b>170.34</b>

### Total

### Loans and Advances Accepted

Niraj Pratibha JV

Pratibha JV

Pratibha Membrane Filters JV

Unity Pratibha Consortium

Gammon Pratibha JV

Pratibha GIN KJI Consortium

FY 2019-20	FY 2018-19
3.98	70.83
62.37	62.37
377.26	377.26
546.35	546.35
22.09	22.09
9.78	9.78
<b>1,021.84</b>	<b>1,088.69</b>

### Total

### 38 Component Accounting for Fixed Assets

In opinion of the management, based on internal verification of the assets of the Group, there is no major part, in case of any asset, which is significant to total cost of the asset and whose useful life is different from the useful life of the asset. Hence, there is no change in accounting of fixed assets and depreciation thereon as required under Ind AS 16- Property, Plant & Equipment.

# Pratibha Industries Limited

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## Notes forming part of Consolidated Financial Statements

(Rs. in Lakhs unless otherwise stated)

### 39 Leases:

The Group has operating lease agreements, primarily for leasing office space and residential premises for its employees. Most of these lease agreements provide for cancellation by either party with a notice period ranging from 30 days to 120 days and contain a clause for renewal of lease agreement at the option of the company. There are no non-cancelable operating leases. There are no assets taken on finance lease.

During the year the Group has recognized following rental expenses:

	FY 2019-20	FY 2018-19
House Rent	346.98	123.79
Equipment Hire Charges	7.51	44.15
<b>Total</b>	<b>354.48</b>	<b>167.94</b>

40 As on 31st March 2020, there is no Mark-to-Market loss on account of derivative forward exchange contract.

### 41 Segment Reporting:

The Group is operating in single segment i.e. Engineering, Procurement and Construction (EPC) which includes sale of products. There have been no other reportable segments identified by Chief Operating Decision Maker and hence no segment reporting is presented under IND AS 108.

### 42 The subsidiaries considered in the consolidated financial statements are:

Name of the Subsidiary	Country of Incorporation	% of Shareholding
Prime Infrapark Pvt Ltd.	India	100%
Muktangan Developers Pvt. Ltd.	India	100%
Pratibha Holding (Singapore) Pte Ltd	Singapore	100%
Pratibha Infra Lanka (Private) Ltd	Sri Lanka	100%

### 43 Interests in Joint Ventures considered in the consolidated financial statements as subsidiaries are:

Name of the Joint Venture	Country of Incorporation	%
Pratibha SMS JV	India	100%
Pratibha CRFG JV	India	100%
ITD Pratibha Consortium	India	100%
Petron Pratibha JV	India	100%
Pratibha Al Ambia JV	India	100%
Pratibha Aparna JV	India	100%
Pratibha GECPL JV	India	100%
Pratibha Mosinzstroi Consortium	India	100%
Unity Pratibha Multimedia JV	India	100%
FEMC Pratibha JV	India	100%
Pratibha Yogiraj JV	India	100%
Pratibha Industries Limited Yogiraj JV	India	100%

### Interests in Joint Ventures considered in the consolidated financial statements on equity method:

Name of the Joint Venture	Country of Incorporation	%
Pratibha JV	India	95%
Pratibha Ostu Stettin JV	India	50%
Pratibha Rohit JV	India	80%
Patel Pratibha JV	India	100%
Pratibha China State JV	India	60%
Niraj Pratibha JV	India	50%
Unity Pratibha Consortium	India	100%
Pratibha GIN KJI Consortium	India	74%
Pratibha Membrane Filters JV	India	51%
Pratibha Pipes & Structural Consortium	India	40%
Gammon Pratibha JV	India	49%
KBL PIL Consortium	India	50%

44 The concession Agreement between the Prime Infrapark Pvt Ltd, one of the wholly owned subsidiaries, and DMRC ("the Client") has been terminated by the client due to default of the terms of the agreement. The management of the Group has estimated a claim against the Client amounting to Rs. 152.44 Crores, shown under Other Financial assets.

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(Rs. in Lakhs unless otherwise stated)

- 45 The Holding Company has not made provision against Loans given of Rs. 7350.70 lakhs to its subsidiary M/s. Bhopal Sanchi Tollways Private Limited. Advances are considered good and recoverable by the management. Its Concession Agreement has been terminated by NHAI. The subsidiary company has lodged claim and the matter is under arbitration. The management of the subsidiary is in arbitration with NHAI and is hopeful of recovering its entire investment including Loans. Hence, no provision has been made.
- 46 Due to lockdown and also lack of human resource, the Group could not conduct physical verification of fixed assets. Further many of the contracts have been terminated by the clients and new contractors have been appointed by them. In such situation it is practically difficult to visit site for physical verification and take possession of assets since there is stiff resistance from new contractors.
- 47 Since the liquidation process is going on and the Group is facing severe financial issues, the Group could not comply with various applicable IND AS like conducting impairment testing of Financial Assets (IND AS 109 & 113), physical verification of inventory (IND AS 2) and property, plant and equipment (IND AS 16), preparation of cost to complete statements for all the ongoing projects, impact of variable consideration on revenue (IND AS 115), valuation of employee benefits (IND AS 19).
- 48 Since the liquidation process is going on and the Group is facing severe financial issues, the Group could not conduct Cost Audit as required under the provisions of section 148 of the Companies Act 2013 and also could not conduct Internal Audit under section 138 of the Act.
- 49 There are various Statutory dues which are not paid by the Group due to financial issues and ongoing liquidation process. No provision for interest has been made as the Group doesn't expect any such additional liability on account of interest and penalty due to the ongoing liquidation process.
- 50 Due to financial distress and ongoing liquidation process, the Holding company could not repay public deposits on time and has defaulted in payments to many deposit holders.

### 51 Financial instruments:

#### 51.1. Categories of Financial Instruments:

Financial Assets	31.03.2020		31.03.2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Measured at Amortised cost</b>				
Investments	17.41	17.41	17.41	17.41
Other Non Current Financial Assets.	16,287.36	16,287.36	16,287.36	16,287.36
Trade Receivables	9,996.78	9,996.78	8,134.10	8,134.10
Cash and Cash Equivalents	2,646.85	2,646.85	2,521.08	2,521.08
Bank Balances	3,568.04	3,568.04	1,168.04	1,168.04
Loans	43,592.40	43,592.40	42,639.05	42,639.05
Other Current Financial Assets	13,440.29	13,440.29	13,322.06	13,322.06
<b>Total Financial assets measured at Amortised Cost</b>	<b>89,549.13</b>	<b>89,549.13</b>	<b>84,089.10</b>	<b>84,089.10</b>
<b>Measured at Fair Value Through Profit And Loss</b>				
Investments in Gold	3.15	3.15	3.15	3.15
Investments in Joint Ventures	4,648.80	4,648.80	4,837.32	4,837.32
Loans	78.16	78.16	152.96	152.96
<b>Total Financial assets measured at Fair Value through Profit and Loss</b>	<b>4,730.12</b>	<b>4,730.12</b>	<b>4,993.42</b>	<b>4,993.42</b>
<b>Total Financial assets</b>	<b>94,279.24</b>	<b>94,279.24</b>	<b>89,082.52</b>	<b>89,082.52</b>
<b>Financial Liabilities</b>				
<b>Measured at Amortised cost</b>				
Borrowings	5,49,706.06	5,49,706.06	5,47,657.69	5,47,657.69
Trade Payables (Current)	29,313.87	29,313.87	25,767.34	25,767.34
Other Financial Liabilities	1,52,482.06	1,52,482.06	1,51,088.71	1,51,088.71
<b>Total Financial assets measured at Amortised Cost</b>	<b>7,31,501.98</b>	<b>7,31,501.98</b>	<b>7,24,513.74</b>	<b>7,24,513.74</b>
<b>Measured at Fair Value Through Profit And Loss</b>				
Other Financial Liabilities	-	-	-	-
<b>Total Financial assets measured at Fair Value through Profit and Loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Financial Liabilities</b>	<b>7,31,501.98</b>	<b>7,31,501.98</b>	<b>7,24,513.74</b>	<b>7,24,513.74</b>



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## Notes forming part of Consolidated Financial Statements

(Rs. in Lakhs unless otherwise stated)

### 52 Financial Instruments And Risk Review

#### Financial Risk Management Framework

The Group is exposed primarily to credit, liquidity, which may adversely impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Group.

#### Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets.

#### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is towards the balances of security deposits, trade receivables, retention & security deposits, loans & advances to related parties and other financial assets.

In addition, the Group is exposed to credit risk in relation to financial guarantees given to various parties, by the Group. The Group's maximum exposure in this respect is the maximum amount the Group would have to pay if the guarantee is called on.

#### Trade receivables

Movement in the allowances for the doubtful trade receivables (expected credit loss allowance):

	FY 2019-20	FY 2018-19
Balance at the beginning of the year	8,791.79	-
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	16.16	8,791.79
<b>Balance at the end of the year</b>	<b>8,807.95</b>	<b>8,791.79</b>

#### Financial Assets (Other than Trade Receivables)

Movement in the allowances for all other impaired financial assets, being security deposits, retention & security deposits, (expected credit loss

	FY 2019-20	FY 2018-19
Balance at the beginning of the year	5,950.81	-
Movement in the expected credit loss allowance on all the financial assets, other than trade receivables, calculated at lifetime expected credit losses	31.85	5,950.81
<b>Balance at the end of the year</b>	<b>5,982.66</b>	<b>5,950.81</b>

#### Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Group's exposure to market risk is primarily on account of interest rates, credit, liquidity and other market changes.

### 53 Income Taxes

#### 53.1. Income Tax Expense/ (Benefit)

	FY 2019-20	FY 2018-19
Current Tax	-	-
Deferred tax	-	-
<b>Total tax Expense/ (benefit)</b>	<b>-</b>	<b>-</b>

#### 53.2. Deferred Tax Assets/(Liabilities)

Significant components of deferred Tax Assets/ (Liabilities) recognised in the financial statements are as follows:

Deferred tax balance in relation to	As at 01/04/2019	Recognised/ reversed through profit and loss	Recognised/ reversed through OCI	As at 31/03/2020
Property, Plant & Equipment	3,430.67	102.70	-	3,533.36
Fair valuation of Gold	0.09	-	-	0.09
Business Losses	(3,430.76)	(102.70)	-	(3,533.46)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Deferred tax balance in relation to	As at 01/04/2018	Recognised/ reversed through profit and loss	Recognised/ reversed through OCI	As at 31/03/2019
Property, Plant & Equipment	8,419.40	(4,988.73)	-	3,430.67
Fair valuation of Gold	0.09	-	-	0.09
Business Losses	(8,419.49)	4,988.73	-	(3,430.76)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Pratibha Industries Limited

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## Notes forming part of Consolidated Financial Statements

(Rs. in Lakhs unless otherwise stated)

- 54 The details of amounts outstanding due to Micro, Small and Medium Enterprises based on available information with the Company are as under:

	FY 2019-20	FY 2018-19
Principal Amount due and remaining unpaid	-	-
Interest due and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed date during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

- 55 Balance under the head 'Deposits', 'Trade Receivables', 'Trade Payables', 'Loan and Advances Receivable and Payable' are shown as per books of accounts subject to confirmation by concerned parties and adjustment if any, on reconciliation thereof. In view of proceedings under IBC, balance confirmations can not be called from Trade payables. Claims received from vendors have been verified.

- 56 Disclosure of Consolidated net assets and profit or loss of subsidiaries and joint ventures considered in the consolidated financial statements

Name of the entity in the company	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
	1	2	3	4
<b>Parent Subsidiaries</b>				
<b>Indian</b>				
Prime Infrapark Pvt Ltd.	3.03%	(13,339.01)	-	-
Muktangan Developers Pvt. Ltd.	0.19%	(852.61)	-	-
<b>Foreign</b>				
Pratibha Holding (Singapore) Pvt Ltd	-0.01%	65.50	-	-
Pratibha Infra Lanka (Private) Ltd	0.02%	(86.60)	-	-
<b>Minority interest in all subsidiaries associates</b>				
<b>Indian</b>				
Pratibha Yogiraj JV	-1.06%	4,651.68	0.56%	(35.11)
Pratibha Industries Limited Yogiraj JV	-1.50%	6,607.57	0.15%	(9.26)
<b>Joint Ventures</b>				
<b>Indian</b>				
Pratibha SMS JV	-0.20%	880.07	0.00%	(0.02)
Pratibha CRFG JV	1.73%	(7,627.62)	0.03%	(1.96)
ITD Pratibha Consortium	0.01%	(55.74)	-	-
Pratibha Al Ambia JV	0.13%	(551.43)	0.05%	(3.02)
Pratibha Aparna JV	0.55%	(2,406.26)	0.84%	(52.12)
Pratibha GECPL JV	0.20%	(894.90)	0.08%	(4.79)
Pratibha Mosinzstroi Consortium	-3.23%	14,209.05	17.98%	(1,119.17)
Unity Pratibha Multimedia JV	-0.03%	113.28	0.61%	(37.87)
FEMC Pratibha JV	-0.40%	1,781.95	14.81%	(921.49)

- 57 The previous year's figures have been regrouped, rearranged and reclassified wherever necessary to conform to the current year presentation.

For **Ramanand & Associates**  
Chartered Accountants  
Firm Regn No.: 117776W



**Ramanand Gupta**  
Managing Partner  
M.No. 103975

Place: Mumbai  
Date: 26<sup>th</sup> March 2021

For **Pratibha Industries Limited**



**Anil Mehta**  
Liquidator  
IP registration no. IBBI/IPA - 001/IP - P00749/  
2017-2018/11282

Place: Mumbai  
Date: 26<sup>th</sup> March 2021