



# RAMANAND & ASSOCIATES

— CHARTERED ACCOUNTANTS —

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## INDEPENDENT AUDITOR'S REPORT

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

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

#### Disclaimer of Opinion

We were engaged to audit the accompanying standalone financial statements of **PRATIBHA INDUSTRIES LIMITED**, ("the Company"), which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

We do not express an opinion on the accompanying standalone financial statements of the Company. 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 standalone financial statements.

#### Basis for Disclaimer of Opinion

1. Inventory of Work in Progress (WIP) includes certain contractual claim amounting to Rs.310.60 Crores. These amounts have been ascertained by the management based on their estimates. Out of these contractual claims, claims amounting to Rs. 259.33 Crores 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 respective clients. To the extent of Rs. 259.33 Crores, Inventories are overstated and accumulated losses are understated in the standalone financial Statements.
2. The management has not provided detailed working of Construction Work in Progress (WIP), Cost to Completion and consequent profits or losses in the projects which are pending for execution. In absence of these details, it is not possible for us to ascertain whether the Construction WIP of Rs. 5.63 Crores has been valued and stated correctly or not. The consequential impact, if any, on the standalone 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 standalone financial Statements is not ascertainable.
4. As per the bank loan statements made available to us by the management, 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 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 company having aggregate balance of Rs. 461.72 Crores in the books of accounts are not reconciled with their respective bank statements which are showing aggregate balance of Rs. 370.42 Crores. Thus, loan balances are overstated in books of accounts by Rs. 91.30 Crores.
6. Certain current accounts of the company having aggregate balance of Rs. 0.04 Crores in the books of accounts are not reconciled with their respective bank statements which are showing aggregate balance of NIL. Thus, current bank balances are overstated in books of accounts by Rs. 0.04 Crores.

7. Many loan accounts of the Company having aggregate balance of Rs. 4445.37 Crores, and current accounts of the Company having aggregate balance of Rs. 16.85 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 Standalone financial Statements.
8. In the reconciliation statement of various bank accounts of the 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 such receipts and payments, we cannot ascertain the overall impact on Standalone financial Statements.
9. The Company has an unconfirmed balance of Fixed Deposits amounting to Rs. 13.81 Crores as at March 31, 2020. In absence of balance confirmation from the banks, financial impact on Standalone financial Statements is not ascertainable.
10. The Company has given loans and advances to various related parties amounting to Rs. 979.25 Crores. As per the information given by the Company's management and as reported in the audit reports of these parties for the FY 2019-20, all these related parties have made substantial losses and their net worth have been fully eroded. However, the Company has not made any provision for possible loss on such loans and advances.
11. The 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 investment.
12. The Company has not made provision for impairment against Investment of Rs. 0.01 Crore in its subsidiary M/s. Bhopal Sanchi Tollways Private Limited. As informed to us, its Concession Agreement has been terminated by NHAI and the subsidiary company has lodged claim and the matter is under arbitration.
13. There are many statutory dues amounting to Rs. 153.59 Crores which are pending to be deposited with appropriate government authorities by the Company. The company has not made provision for interest on these dues on account of delay in depositing them. Since the management of Company has not estimated overall liability on account of interest, financial impact on Standalone 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 cannot ascertain impact on standalone financial statements.
15. The company has 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 company has not evaluated impact of variable consideration on its revenue as required under IND AS 115.
16. During the year, the Company has unilaterally written back certain liabilities amounting to Rs. 1.33 Crores. The management of the 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.

17. The company 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 standalone financial Statements.
18. Foreign currency balance of certain foreign vendors, having aggregate balance of Rs. 4.50 Crores 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 standalone financial Statements could not be ascertained.
19. The balance with statutory authorities includes credits for Service Tax and Excise Duty amounting to Rs. 24.44 Crores. The company has not filed Service Tax and Excise Returns since 2016-17, 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 current assets are overstated and accumulated losses are understated.
20. The 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 standalone financial Statements could not be ascertained.
21. As required under the provisions of Section 148 of the Companies Act, 2013, read with Rule 4 of the Companies (Cost Records and Audit) Rules, 2014, the cost audit has not been conducted of company's records.
22. 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 company has not been conducted for the year ended March 31, 2020.

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

The company has accumulated losses of Rs. 4972.26 Crores and its net worth is fully eroded. It has incurred net loss during the year ended March 31, 2020 amounting to Rs. 63.50 Crores as 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 Financial Creditors under section 9 of the Insolvency and Bankruptcy Code (IBC) had been admitted by Hon'ble National Company Law Tribunal ("NCLT"), 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 Company had been filed with the NCLT. NCLT vide its order dated February 8, 2021 has approved liquidation of the company.

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

#### **Responsibilities of Management and those charged with Governance for the Standalone Financial Statements**

The application of 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 Company had been filed with the NCLT. NCLT vide its order dated February 8, 2021 has approved liquidation of the company. Resolution Professional Mr. Anil Mehta has been appointed as Liquidator by the NCLT. The management & operations of the Company are being managed by Liquidator on a Going Concern Basis.

The Company's management is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance(including other comprehensive income), statement of changes in equity and cash flows of the Company in

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The management is also responsible for overseeing the Company's financial reporting process.

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

Our responsibility is to conduct an audit of the standalone financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matter 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 standalone 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.

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a. 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 Company so far as appears from our examination of those books;
- 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 Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), the statement of Changes in Equity, and 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 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 the Material Uncertainty Related to Going Concern paragraph, in our opinion, may have an adverse effect on the functioning of the Company.

- 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 standalone financial statements of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure B".
- 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 Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 36 to the Standalone Financial Statements;
  - Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Company 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: 21103975AAAAIR5489

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

## Annexure "A" to the Independent Auditor's Report

The Annexure referred to in our report to the members of **PRATIBHA INDUSTRIES LIMITED** ('The Company') on the standalone financial statements for the year ended 31<sup>st</sup> March, 2020. We report that:

- i. In respect of its fixed assets:
  - a. The Company has maintained records showing particulars including quantitative details and situation of fixed assets. **However, locations of the assets are not updated in records.**
  - b. During the year, physical verification of Fixed Assets was not conducted and no impairment testing was done for any assets. We are informed by the management that physical verification could not be conducted on account of no access to various site due to termination of contracts. In absence of complete physical verification of the assets, we can't comment on material discrepancies on such physical verification.**
  - c. According to the information and explanations given to us, the title deeds of immovable properties recorded as fixed assets in the books of account are held in the name of the company.
- ii. In respect of inventories, according to the information and explanation given to us, the physical verification of inventory was not conducted at the end of the year. In the absence of physical verification of inventories, we can't comment on material discrepancies on such and its consequential impact on the financial statement. As regards inventory in the nature of Work in Progress, reference is invited to para 1&2 of Basis for Disclaimer of Opinion of our report.
- iii. According to information and explanations given to us, during the year, the Company has not granted unsecured loans to parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees, and security, provisions of section 185 has been complied with. **However, during the year, it has granted loan to its three Joint Venture companies which is non-compliance of section 186(2) as the company's net worth is fully eroded. Also, these loans are interest free unsecured loans to which is in non-compliance of provisions of section 186(7).**
- v. The Company has accepted deposits from the public. As per our verification of records and information & explanations given to us, **except the provisions of section 73(3) and 74(3),** the company has complied with the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there-under, where applicable. As per information & explanations given to us, **as per the requirements of section 73(3), the company has failed to repay the amount of deposits & interest thereon on maturity.** Further the order has been passed by Company Law Board under section 74 (2) of the Companies Act 2013. **As per the requirement of the order and section 74 (3) of the Act, the company has failed to repay deposits amounting to Rs. 1,848.20 Lakhs and interest thereon amounting to Rs. 1,209.68 Lakhs.** As regards Public Deposits and interest thereon, reference is invited to Para 20 of Basis for Disclaimer of Opinion of our report. Further, directives issued by the Reserve Bank of India are not applicable to the company.
- vi. We are not provided with the books of accounts required to be maintained by the Company pursuant to the rules prescribed by the Central Government under Section 148(1) of the Companies Act, 2013. We, therefore, can not comment on their accuracy or completeness.

vii. In respect of statutory dues:

- a. According to information and explanations given to us and on the basis of our examination, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Goods & Service Tax, Cess and other material statutory dues have not been regularly deposited with the appropriate authorities and there have been significant delays in payment of statutory dues.

According to the information and explanations given to us, undisputed amounts payable in respect thereof, which were outstanding as at March 31, 2020 for a period of more than six months from the date of becoming payable are as follows:

| <b>Nature of Dues</b>           | <b>Amount<br/>(Rs. in Lakhs)</b> | <b>Period to which<br/>amount relates</b> | <b>Due Date</b>   |
|---------------------------------|----------------------------------|---|-------------------|
| Provident Fund                  | 669.86                           | Upto August 2019                          | Various due dates |
| Employee State Insurance        | 127.61                           | Upto August 2019                          | Various due dates |
| Profession Tax                  | 72.16                            | Upto August 2019                          | Various due dates |
| Maharashtra Labour Welfare Fund | 2.18                             | Upto August 2019                          | Various due dates |
| Service Tax                     | 3,573.73                         | Upto June 2017                            | Various due dates |
| Excise Duty                     | 12.60                            | Upto June 2017                            | Various due dates |
| Customs Duty                    | 572.58                           | 2016-17                                   | 31-03-2017        |
| Tax Deducted At Source          | 2,246.04                         | Upto August 2019                          | Various due dates |
| Tax Collected At Source         | 0.64                             | Upto August 2019                          | Various due dates |
| Value Added Tax                 | 812.28                           | Upto June 2017                            | Various due dates |
| Goods and Service Tax           | 277.15                           | Upto August 2019                          | Various due dates |

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

| <b>Name of Statutory Authority</b>   | <b>Amount Claimed<br/>(Rs. In Lakhs)</b> | <b>Claims Verified<br/>(Rs. In Lakhs)</b> |
|--|--|---|
| 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 | 139.63                                   | 139.63                                    |
| 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>                           |

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

- b. According to the information and explanations given to us, dues that have not been deposited by the Company on account of disputes are as follows:

| <b>Nature of the dues</b> | <b>Amount (Rs. in Lakhs)</b> | <b>Period to which the amount relates</b> | <b>Forum where dispute is pending</b> |
|---------------------------|------------------------------|---|---------------------------------------|
| Income Tax                | 1,699.46                     | AY 2000-01 to AY 2008-09                  | Mumbai High Court                     |
| Income Tax                | 12,438.13                    | AY 2006-07 to AY 2013-14                  | ITAT, Mumbai                          |
| Income Tax                | 17,600.56                    | AY 2011-12 to AY 2015-16                  | Commissioner (Appeals) - 51, Mumbai   |

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

| <b>Name of Statutory Authority</b>  | <b>Amount Claimed (Rs. In Lakhs)</b> | <b>Claims Verified (Rs. In Lakhs)</b> |
|---|--------------------------------------|---------------------------------------|
| Deputy Commissioner of Commercial Taxes, Bangalore, Karnataka VAT - FY 2010-11 and FY 2011-12 | 2,451.86                             | 2,451.86                              |
| GST Department - Maharashtra (VAT, CST) - FY 2008-09 to FY 2012-13                            | 3,780.67                             | 3,780.67                              |
| GST Department - Maharashtra (VAT, CST) - FY 2012-13 and FY 2014-15                           | 5,941.03                             | 5,941.03                              |
| Deputy Commissioner of Income Tax - Central Circle 3(1), Mumbai                               | 17,600.56                            | 17,600.56                             |
| Assistant Commissioner of CGST & CENTRAL EXCISE, Mumbai East                                  | 3,431.52                             | 3,431.52                              |
| GST Department - Maharashtra (VAT, CST) - Interest Order - FY 2008-09 to FY 2012-13           | 1,910.44                             | 1,910.44                              |
| <b>Total</b>  | <b>35,116.08</b>                     | <b>35,116.08</b>                      |

# The outcome of the above cases are not known to the Resolution Professional.

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

- viii. In our opinion and according to the information and explanations given to us the Company has defaulted in repayment of following dues to the financial institutions and banks during the year, which were not paid as at the Balance Sheet date:

| <b>Name of Bank/ FI</b>     | <b>No. of Installment</b> | <b>Total Amount of Defaults (Rs. in Lakhs)</b> | <b>Range of Delay</b> |
|-----------------------------|---------------------------|--|-----------------------|
| Allahabad Bank              | 16                        | 5,472.00                                       | 91 - 1461             |
| Bank of Baroda              | 6                         | 3,000.00                                       | 700 - 1154            |
| Bank Of Maharashtra         | 8                         | 10,000.00                                      | 790-1431              |
| Central Bank Of India       | 12                        | 3,813.75                                       | 30-1034               |
| Export Import Bank Of India | 5                         | 12,100.00                                      | 1095-1460             |
| BMW Financial Services      | 2                         | 2.48   | 396-424               |
| Daimler Financial Services  | 17                        | 34.00  | 29-729                |

Further, company has not issued debentures.

- ix. According to the information and explanation given to us, during the year, the company has neither raise money by way of initial public offer or further public offer nor has received any Term loan.
- x. According to the information and explanation given to us, no fraud by the company or on the Company by its officers or employees has been noticed or reported during the year.



- xi. According to the information and explanation given to us and on the basis of an overall examination of books of accounts of the Company, no managerial remuneration has been paid or provided during the year.
- xii. According to the information and explanation given to us, the company is not a Nidhi Company. Therefore, provisions of clause 3(xii) of the order are not applicable to the company.
- xiii. During the FY 2019-20, the company was under CIRP period under the provisions of IBC. The powers of Board of Directors are suspended and RP was responsible to manage the operations of the Company. Thus, the related party transactions disclosed in standalone Financial Statements are not in compliance with sections 177 and 188 of Companies Act, 2013 as there was not Audit Committee and Board of Directors in place.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. According to the information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- xvi. According to the information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Ramanand & Associates**  
Chartered Accountants  
ICAI Firm Registration Number: 117776W

  


Ramanand Gupta  
Managing Partner  
Membership No.: 103975

UDIN: 21103975AAAAIR5489

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

## **Annexure “B” 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 standalone 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 standalone financial statements of **Pratibha Industries Limited** (“the Company”) as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **3. Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements based on our audit 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Because of the matter 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 standalone financial statements of the Company.

#### **4. Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control with reference to 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 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 expenditure 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 Company’s internal financial controls with reference to standalone financial statements, because of the significance of the following matters:

- a) *The 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 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 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 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 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 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 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 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 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 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 company.*
- k) *The 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 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 Company had adequate internal financial controls with reference to standalone 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 standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

For **Ramanand & Associates**

Chartered Accountants

ICAI Firm Registration Number: 117776W

Ramanand Gupta  
Managing Partner

Membership No.: 103975



UDIN: 21103975AAAAIR5489

Place: Mumbai

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

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Standalone Balance Sheet as at 31st March 2020

(Rs. in Lakhs unless otherwise stated)

| Particulars  | Note No. | As at<br>31.03.2020 | As at<br>31.03.2019 |
|--|----------|---------------------|---------------------|
| <b>ASSET</b>   |          |                     |                     |
| <b>(1) Non Current Assets</b>                                |          |                     |                     |
| (a) Property, Plant and Equipment                            | 2        | 34,361.48           | 37,579.90           |
| (b) Other Intangible assets                                  | 3        | -                   | 44.21               |
| (c) Financial Assets   |          |                     |                     |
| (i) Investments  | 4        | 48,568.32           | 50,941.64           |
| (ii) Loans   | 5        | 62.65               | 137.45              |
| (iii) Others   | 6        | 277.12              | 277.12              |
| (d) Deferred Tax Assets (Net)                                |          | -                   | -                   |
| (e) Other Non-Current Assets                                 | 7        | 20,448.41           | 16,392.91           |
| <b>(2) Current Assets</b>                                    |          |                     |                     |
| (a) Inventories  | 8        | 31,656.59           | 31,689.26           |
| (b) Financial Assets   |          |                     |                     |
| (i) Investment   |          | -                   | -                   |
| (ii) Trade Receivables                                       | 9        | 6,679.34            | 4,300.97            |
| (iii) Cash and Cash Equivalents                              | 10       | 2,385.24            | 1,899.38            |
| (iv) Bank Balances   | 11       | 3,504.05            | 1,104.05            |
| (v) Loans  | 12       | 21,670.32           | 22,519.53           |
| (vi) Others  | 13       | 99,347.23           | 97,064.60           |
| (c) Current Tax Asset (Net)                                  |          | 413.33              | 727.30              |
| (d) Other Current Assets                                     | 14       | 10,372.23           | 6,417.30            |
| <b>Total Assets</b>  |          | <b>2,79,746.29</b>  | <b>2,71,095.61</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       | (4,30,485.54)       | (4,24,136.00)       |
| <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       | 3,77,698.10         | 3,74,222.40         |
| (ii) Trade Payables  |          |                     |                     |
| (A) Dues of micro and small enterprises                      |          | -                   | -                   |
| (B) Dues of creditors other than micro and small enterprises |          | 16,810.95           | 12,088.28           |
| (iii) Other Financial Liabilities                            | 21       | 2,91,383.10         | 2,88,317.88         |
| (b) Other Current Liabilities                                | 22       | 18,556.64           | 14,772.56           |
| (c) Provisions   | 23       | 143.95              | 143.95              |
| (d) Current Tax Liabilities (Net)                            |          | 620.09              | 620.09              |
| <b>Total Equity and Liabilities</b>                          |          | <b>2,79,746.29</b>  | <b>2,71,095.61</b>  |
| Significant Accounting Policies                              | 1        |                     |                     |

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 of Standalone Profit and Loss for the Year ended 31st March 2020

(Rs. in Lakhs unless otherwise stated)

| Particulars |  | Note No | For the year ended<br>31.03.2020 | For the year ended<br>31.03.2019 |
|-------------|--|---------|----------------------------------|----------------------------------|
| I           | Revenue From Operations  | 24      | 16,941.07                        | 31,604.26                        |
| II          | Other Income   | 25      | 1,025.39                         | 5,361.41                         |
| III         | <b>Total Income (I+II)</b>   |         | <b>17,966.46</b>                 | <b>36,965.67</b>                 |
| IV          | <b>Expenses</b>  |         |                                  |                                  |
|             | Cost of materials consumed   | 26      | 360.09                           | 9,492.39                         |
|             | Construction & Operating Expenses  | 27      | 15,859.95                        | 31,589.95                        |
|             | Changes in inventories of work-in-progress   | 28      | -                                | (461.75)                         |
|             | Employee benefits expense  | 29      | 960.87                           | 1,413.98                         |
|             | Finance costs  | 30      | 129.22                           | 71,260.27                        |
|             | Depreciation and amortization expense  | 31      | 2,829.04                         | 3,810.01                         |
|             | Other expenses   | 32      | 4,176.84                         | 78,747.82                        |
|             | <b>Total expenses (IV)</b>   |         | <b>24,316.00</b>                 | <b>1,95,852.67</b>               |
| V           | <b>Profit/(loss) before exceptional items and tax (III- IV)</b>  |         | <b>(6,349.54)</b>                | <b>(1,58,887.00)</b>             |
| VI          | Exceptional Items  |         | -                                | -                                |
| VII         | <b>Profit/(loss) before tax (V-VI)</b>   |         | <b>(6,349.54)</b>                | <b>(1,58,887.00)</b>             |
| VIII        | Tax expense:   |         |                                  |                                  |
|             | (1) Current tax  |         | -                                | -                                |
|             | (2) Deferred tax   |         | -                                | -                                |
| IX          | <b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>  |         | <b>(6,349.54)</b>                | <b>(1,58,887.00)</b>             |
| X           | Profit/(loss) from discontinued operations   |         |                                  |                                  |
| XI          | Tax expense of discontinued operations   |         |                                  |                                  |
| XII         | <b>Profit/(loss) from Discontinued operations (after tax) (X-XI)</b>   |         |                                  |                                  |
| XIII        | <b>Profit/(loss) for the period (IX+XII)</b>   |         | <b>(6,349.54)</b>                | <b>(1,58,887.00)</b>             |
| XIV         | <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      | -                                | -                                |
|             | (ii) Income tax relating to items that will be reclassified to profit or loss  |         | -                                | -                                |
| XV          | <b>Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b> |         | <b>(6,349.54)</b>                | <b>(1,58,887.00)</b>             |
| XVI         | <b>Earnings per equity share (Amount in `)</b>   | 35      |                                  |                                  |
| A           | <b>For continuing operation</b>  |         |                                  |                                  |
|             | (1) Basic  |         | (2.66)                           | (66.59)                          |
|             | (2) Diluted  |         | (2.66)                           | (66.59)                          |
| B           | <b>For discontinued operation</b>  |         |                                  |                                  |
|             | (1) Basic  |         | -                                | -                                |
|             | (2) Diluted  |         | -                                | -                                |
| C           | <b>For discontinued &amp; continuing operations</b>  |         |                                  |                                  |
|             | (1) Basic  |         | (2.66)                           | (66.59)                          |
|             | (2) Diluted  |         | (2.66)                           | (66.59)                          |

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 Limited

CIN : L45200MH1995PLC090760

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

(Rs. in Lakhs unless otherwise stated)

| Particulars   | For the year ended<br>31.03.2020 | For the year ended<br>31.03.2019 |
|---|----------------------------------|----------------------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                  |                                  |                                  |
| Profit before tax   | (6,349.54)                       | (1,58,887.00)                    |
| Adjustment for :  |                                  |                                  |
| Depreciation & Amortization                                 | 2,829.04                         | 3,810.01                         |
| (Profit)/Loss on Sale of Assets                             | (607.40)                         | 9,805.28                         |
| Finance Charges   | 129.22                           | 71,260.65                        |
| Sundry Balance write Off/(back)                             | (88.36)                          | (2,342.20)                       |
| Unrealised Foreign Exchange Gain                            | -                                | (0.38)                           |
| Loss on Impairment of Assets                                | -                                | 29.16                            |
| Provision for Doubtful/Bad Debts - Expenses                 | -                                | 13,572.41                        |
| BG Encashment Balance Written Off                           | -                                | 9,441.31                         |
| Fixed Asset Writen Off                                      | -                                | 6,910.79                         |
| Foreign Exchange Fluctuation                                | -                                | 572.77                           |
| Share in profit/(loss) of joint ventures/ associates (net)  | 2,310.54                         | 34,815.90                        |
| Provision for Diminution in value of Investment Impairment  | -                                | 359.67                           |
| Interest Income   | (284.75)                         | (364.89)                         |
| Operating Profit before working Capital Changes             | <b>(2,061.25)</b>                | <b>(11,016.52)</b>               |
| Adjustment for:   |                                  |                                  |
| Inventories   | 32.67                            | 2,350.53                         |
| Trade Receivables   | (2,422.59)                       | 7,513.77                         |
| Other Assets  | (8,920.72)                       | (372.92)                         |
| Trade Payables  | 4,722.67                         | (13,063.76)                      |
| Other Liabilities   | 7,988.46                         | (8,353.20)                       |
|   | <b>(660.76)</b>                  | <b>(22,942.10)</b>               |
| Less: Direct Taxes Paid / (Refund Received)                 | -                                | -                                |
| <b>Net cash used in Operating Activities (a)</b>            | <b>(660.76)</b>                  | <b>(22,942.10)</b>               |
| <b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>                 |                                  |                                  |
| Sale of/ (Additions to) Fixed Assets (net)                  | 1,040.17                         | 1,553.30                         |
| Sale of/ (Additions to) Investments (net)                   | 62.79                            | (7,079.26)                       |
| Term Deposits   | (2,400.00)                       | 6,168.55                         |
| Interest Income   | 151.22                           | 1,510.16                         |
| <b>Net cash used in investing activities (b)</b>            | <b>(1,145.83)</b>                | <b>2,152.75</b>                  |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                  |                                  |                                  |
| Proceeds from Long Term Borrowings (Net)                    | (1,054.03)                       | (12,441.18)                      |
| Proceeds from Short Term Borrowings (Net)                   | 3,475.70                         | 49,893.70                        |
| Finance Charges paid (Net)                                  | (129.22)                         | (71,260.65)                      |
| Interest due  | -                                | 54,076.78                        |
| Public Deposits and interest accrued thereon                | -                                | 134.94                           |
| <b>Net cash from Financing Activities (c)</b>               | <b>2,292.45</b>                  | <b>20,403.59</b>                 |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS (a+ b + c)</b> | <b>485.87</b>                    | <b>(385.76)</b>                  |
| <b>Opening Cash and Cash Equivalents</b>                    | <b>1,894.39</b>                  | <b>2,280.14</b>                  |
| <b>Closing Cash and Cash Equivalents</b>                    | <b>2,380.25</b>                  | <b>1,894.39</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             | 1.58             |
| Balance with Banks            | 2,383.40         | 1,897.79         |
| Less: Unpaid Dividend Balance | (4.99)           | (4.99)           |
| <b>Total</b>                  | <b>2,380.25</b>  | <b>1,894.39</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 ending 31<sup>st</sup> 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 difference on translating the financial statement | 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                  | (4,90,876.31)        | (123.10)   | 29.29                                       | (4,24,136.00)        |
| 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>(4,90,876.31)</b> | <b>(123.10)</b>  | <b>29.29</b>                                | <b>(4,24,136.00)</b> |
| Total Comprehensive Income for the year                          | -                    | -                          | (6,349.54)           | -  | -   | (6,349.54)           |
| <b>Balance at the end of the reporting period</b>                | <b>4,392.00</b>      | <b>62,442.13</b>           | <b>(4,97,225.86)</b> | <b>(123.10)</b>  | <b>29.29</b>                                | <b>(4,30,485.54)</b> |

## Statement showing changes in Equity for the year 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 difference on translating the financial statement | 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                  | (2,50,060.95)        | (123.10)   | 29.29                                       | (1,83,320.64)        |
| Changes in accounting policy or prior period errors              | -                    | -                          | (81,928.36)          | -  | -   | (81,928.36)          |
| <b>Restated balance at the beginning of the reporting period</b> | <b>4,392.00</b>      | <b>62,442.13</b>           | <b>(3,31,989.31)</b> | <b>(123.10)</b>  | <b>29.29</b>                                | <b>(2,65,249.00)</b> |
| Total Comprehensive Income for the year                          | -                    | -                          | (1,58,887.00)        | -  | -   | (1,58,887.00)        |
| <b>Balance at the end of the reporting period</b>                | <b>4,392.00</b>      | <b>62,442.13</b>           | <b>(4,90,876.31)</b> | <b>(123.10)</b>  | <b>29.29</b>                                | <b>(4,24,136.00)</b> |



# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

### Company Overview

Pratibha Industries Limited (the 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 Company undertakes 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 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 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 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 company. Vide the said order, Mr. Anil Mehta has been appointed as the Liquidator to carry out the liquidation process of the 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 company. Further, as per Section 34 (2) of the IBC, all powers of the board of directors and key managerial personnel of the company cease to have effect and stand vested in the Liquidator.

The Liquidator has been managing the business and affairs of the 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 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 standalone financial statements for FY 2019-20 have been prepared based on the information/ documents provided by the personnel of the company and the Liquidator is not in a position to independently verify the authenticity or veracity of such information/ documents.

### **"LIQUIDATOR DISCLAIMER FOR THE PRATIBHA INDUSTRIES LIMITED ANNUAL REPORT FOR FY 2020 AND STANDALONE AND CONSOLIDATED RESULTS FOR FY 19-2020".**

The standalone financial statements for FY 2019-20 were sent to the erstwhile directors of the company who have not signed the same. In view of the refusal of the erstwhile directors of the company to sign the financial statements and based on representations by the personnel of the 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.

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

### 1 Significant Accounting Policies

#### I Statement of Compliance

Standalone 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.

For all periods up to and including the year ended 31 March 2020, the Company prepared its Standalone 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 Financial Statements:

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Standalone 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 Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2020, the Statement of Profit and Loss, the Cash Flow Statement 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 "Standalone 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 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: Inventories or value in use in Ind AS 36: Impairment of Assets.

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.

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

### III Use of Estimates:

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that the estimates made in the preparation of financial statements are prudent and reasonable. Any difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

### IV Operating cycle for current and non-current classification:

Operating cycle for the business activities of the company covers the duration of the specific project/contract/project line/service including the defect liability period, wherever applicable and extends up to the realization of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business. For non-project related assets and liabilities, operating cycle is 12 months.

### V Property plant and equipment:

The Company has exercised the option as provided in Para D7AA of IND AS 101: First Time Adoption of Indian Accounting Standards and accordingly the carrying amount of all the PPE as at 31<sup>st</sup> March 2015 under the previous IGAAP have been considered as deemed cost.

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognises the replaced part, and recognises the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipments are recognised in the statement of profit and loss in the year of occurrence.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation is provided based on useful life of the assets and based on method as prescribed in Schedule II to the Companies Act, 2013 except in respect of Construction Equipment category. For Construction Equipment category, estimated useful life of assets is taken different from the useful life indicated in Schedule II to the Companies Act, 2013, it is based on technical advice and after taking into account the nature of the assets, their estimated usage, their operating conditions, past history of replacement, anticipated technological changes, manufacturer's warranties and maintenance support. Property, plant and equipment, which are added / disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

The range of useful lives of the property, plant and equipment are as follows:

|                         |               |
|-------------------------|---------------|
| Plant and equipment     | 1 to 20 years |
| Furniture and fixtures  | 1 to 10 years |
| Office equipment        | 1 to 5 years  |
| Buildings               | 1 to 30 years |
| Vehicles                | 1 to 10 years |
| Computer                | 1 to 3 years  |
| Electrical Installation | 1 to 10 years |
| Office Premises         | 1 to 60 years |

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## Notes forming part of Standalone Financial Statements

### VI 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 Company and the cost of the assets can be measured reliably.

The amortisation period for an intangible asset is 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, as appropriate, and are treated as changes in accounting estimates.

Intangible assets 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

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

### VII Impairment of Assets

#### a) Financial Assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets, measured at amortised cost, is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. For all financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

#### b) Non - Financial Assets

##### Property, Plant and Equipment and Other Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Standalone Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

### VIII Financial Instruments:

#### (i) Financial Assets

##### Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost. All financial assets not recorded at fair value though profit or loss are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

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## Notes forming part of Standalone Financial Statements

### Subsequent measurement

For Purposes of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognized in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

**Business model test:** The objective of the company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

**Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

**Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.

**Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss as doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognized in the statement of profit and loss.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the company's statement of financial position) when:

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

(a) The company has transferred substantially all the risks and rewards of the asset, or

(b) The company has either transferred substantially all the risks and rewards of the asset, but has transferred control of the asset.

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## Notes forming part of Standalone Financial Statements

When the company has transferred its rights to received cash flow from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### Impairment

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

### Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the 'Other income' line item.

### (ii) Financial liabilities and equity instruments:

#### Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

#### Financial Liabilities

##### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

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## Notes forming part of Standalone Financial Statements

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

#### Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

The Company enters into deferred payment arrangements (acceptances) whereby lenders such as banks and other financial institutions make payments to supplier's banks for purchase of raw materials/services. The banks and financial institutions are subsequently repaid by the Company at a later date. These are normally settled up to 3 months. These arrangements for raw materials are recognized as Deferred Payment Liabilities under Borrowings.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

#### Reclassification of Financial Instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent.

The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model.

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## Notes forming part of Standalone Financial Statements

| Original Classification | Revised Classification | Accounting Treatment   |
|-------------------------|------------------------|--|
| Amortised Cost          | FVTPL                  | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in Statement of Profit and Loss.  |
| FVTPL                   | Amortised Cost         | Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.   |
| Amortised Cost          | FVTOCI                 | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.   |
| FVTOCI                  | Amortised Cost         | Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost. |
| FVTPL                   | FVTOCI                 | Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.  |
| FVTOCI                  | FVTPL                  | Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.   |

### IX Impairment of non-financial assets:

As at each balance sheet date, the company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit and loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to Other Comprehensive Income (the 'OCI'). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.



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## Notes forming part of Standalone Financial Statements

### **X Fair value measurement:**

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability,
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of assets and liability is measured using the measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

- Level 1 - Quoted(unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### **XI Foreign Currency Transactions:**

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are reported using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non - monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (i.e. translation differences in items whose gain or loss is recognised in other comprehensive income or the statement of profit and loss is also recognised in other comprehensive income or the statement of profit and loss respectively).

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## Notes forming part of Standalone Financial Statements

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for:

Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognized initially in other comprehensive income and reclassified from equity to Statement of Profit and Loss on repayment of the monetary items.

### XII Investments in subsidiaries, associates and joint ventures

Investment in subsidiaries, associates and joint ventures are shown at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

### XIII Inventories:

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Slow and non-moving material, obsolesces, defective inventories are duly provided for and valued at net realisable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet.

The weighted average method is being followed for arriving at cost.

- a) Raw materials are valued at lower of cost or net realizable value.
- b) Project and construction-related work-in-progress is valued at cost till such time the
- c) Stores, spares and Fuel are carried at cost.

### XIV Revenue Recognition:

#### a) Construction Contract Sales:

Revenue from construction contracts is recognized by applying over a point in time method after providing for foreseeable losses, if any. Performance obligation is determined based on physical measurement of work actually completed at the Balance Sheet date, taking into account the contractual price and revision thereto by estimating total revenue and total cost till completion of the contract and the profit so determined has been accounted for proportionate to the percentage of actual work done. Profit is recognized and taken as the revenue of the year only when the work on the contract has progressed to a reasonable extent. Foreseeable losses are accounted for as and when they are determined except to the extent they are expected to be recovered through claims presented or to be presented to the customer or in arbitration. Claims for extra work and escalation in rates relating to execution of contracts are accounted as income in the year of acceptance by customer or receipt of arbitration award or evidence of acceptance received.

b) Revenues from construction/project related activity and contracts executed in Joint ventures under work-sharing arrangement being jointly controlled operations, in terms of Indian Accounting Standard (Ind AS) 31 "Interests in Joint Ventures" is accounted as and when the same is determined by the joint ventures. Revenue from services rendered to such joint ventures is accounted on accrual basis.

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## Notes forming part of Standalone Financial Statements

### **c) Sales recognition:**

1. Sales including contractual receipts are accounted net of recoverable taxes, Discount, Returns and Rejections. Sales of material are recognized on dispatch from the warehouse of the company.
2. Scrap Sales are accounted net of Sales Tax, Discount, Returns and Rejections. Scrap Sales are recognized on dispatch of material from the warehouse of the company.

**d)** Profit or loss on sale of assets is recognized on transfer of title from the company and is determined as the difference between the sale price and carrying value of the assets.

**e)** Other incomes are accounted on accrual basis except dividend income which is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

### **XV Expense recognition:**

Input GST Credit not utilized against current year's GST liability is available for set-off in future. Therefore, all the purchase & expense transactions involving GST are accounted net of tax to the extent tax is recoverable and the balance in GST input credit account is included under the head Balance with statutory/ Government Authorities under Other Current Assets.

### **XVI Employee Benefits:**

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentive, etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service. Contribution to defined contribution scheme such as Provident Fund, Employees Pension Scheme, is charged to the Profit & Loss Account as incurred.

Defined benefit plans like gratuity are determined based on actuarial valuation carried out by an independent actuary at the balance sheet date using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit, and measures each unit separately to build up final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities at the balance sheet date. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefits liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with a corresponding debit and credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit loss in subsequent periods. Past service cost is recognised in the statement of profit and loss in the period of plan amendment. The Company has taken comprehensive policy from the Life Insurance Corporation of India for its Gratuity liability.

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## Notes forming part of Standalone Financial Statements

Net Interest is calculated by applying the discount rate to the net benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

Expenses on training, recruitment are charged to revenue in the year of incurrence.

Expenditure on leave travel concession to employees is recognized in the year of availment due to uncertainties of accrual. Leave encashment is provided on actual basis.

Termination benefits are recognised as an expense in the period in which they are incurred.

### XVII Provision for Current & Deferred Taxes:

#### (i) Current Taxes

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/ appeals.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### (ii) Deferred Taxes

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

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

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off.

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## Notes forming part of Standalone Financial Statements

### **Current and deferred tax for the period**

Current and deferred tax are recognised in profit or loss, except when they are related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### **XVIII Borrowing Costs:**

Borrowing costs directly attributable and identifiable to the acquisition and construction of qualifying assets are capitalized till the date such qualifying assets are ready to be put to use. All other borrowings costs are expensed out. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

### **XIX Segment accounting**

The Chief Operational Decision Maker identifies and monitors the operating results of its business segments separately for purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The Operating segments have been identified on the basis of the nature of products/services.

### **XX Provisions, Contingent Liabilities & Contingent Assets:**

The company creates a provision when there is present obligation because of a past event that will probably result in the outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate. If the effect of the time value of money is material, provision are discounted using a current-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increased in the provision due to the passage of time is recognised as finance cost.

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not [possible that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimate is possible;
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Contingent assets are not recognised but disclosed in the financial statements where an inflow of economic benefits is probable.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

### **XXI Leases:**

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on accrual basis.

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## **Notes forming part of Standalone Financial Statements**

### **XXII Earnings per share**

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit from continuing operations and total profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

### **XXIII Cash and cash equivalents**

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

## Pratibha Industries Limited

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### Notes forming part of Financial Statements

(Rs. in Lakhs unless otherwise stated)

#### 2 Property, Plant and Equipment

(Rs. in Lakhs)

| 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       |
| <b>Tangible</b>         |                  |           |               |                  |                  |                 |              |                  |                  |                  |
| Plant and Equipment     | 47,108.77        | -         | -             | 47,108.77        | 10,756.45        | 2,641.40        | -            | 13,397.85        | 33,710.91        | 36,352.31        |
| Furniture and Fixtures  | 267.01           | -         | -             | 267.01           | 118.89           | 36.43           | -            | 155.32           | 111.69           | 148.12           |
| Vehicles                | 796.08           | -         | -             | 796.08           | 313.64           | 90.44           | -            | 404.08           | 392.00           | 482.44           |
| Office equipment        | 42.73            | -         | -             | 42.73            | 29.71            | 0.01            | -            | 29.72            | 13.01            | 13.02            |
| Computer                | 104.20           | -         | -             | 104.20           | 86.67            | 0.09            | -            | 86.76            | 17.44            | 17.53            |
| Electrical Installation | 49.57            | -         | -             | 49.57            | 27.31            | 6.16            | -            | 33.47            | 16.10            | 22.26            |
| Office Premises         | 585.44           | -         | 474.94        | 110.50           | 41.22            | 10.30           | 41.34        | 10.18            | 100.32           | 544.23           |
| <b>Total</b>            | <b>48,953.79</b> | -         | <b>474.94</b> | <b>48,478.85</b> | <b>11,373.89</b> | <b>2,784.83</b> | <b>41.34</b> | <b>14,117.37</b> | <b>34,361.48</b> | <b>37,579.90</b> |
| Previous Year           | 72,471.08        | -         | 23,517.29     | 48,953.79        | 12,825.52        | 3,798.10        | 5,249.74     | 11,373.89        | 37,579.90        | 59,645.56        |

2.1 - Refer Note No.: 1.V, 1.VII, 38, 48,49

#### 3 Intangible

| 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   |
| Computer software | 279.65        | -         | -         | 279.65        | 235.44        | 44.21        | -         | 279.65        | -          | 44.21        |
| <b>Total</b>      | <b>279.65</b> | -         | -         | <b>279.65</b> | <b>235.44</b> | <b>44.21</b> | -         | <b>279.65</b> | -          | <b>44.21</b> |
| Previous Year     | 459.06        | -         | 179.41    | 279.65        | 371.97        | 11.90        | 148.43    | 235.44        | 44.21      | 87.10        |

3.1 - Refer Note No.: 1.V, 1.VII

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Financial Statements

(Rs. in Lakhs unless otherwise stated)

### 4 Investments

#### Unquoted

##### In equity shares - Fully paid up

|  |       |       |
|--|-------|-------|
| 2,660 (2660) Abhyudaya Co Op. Bank Ltd           | 0.27  | 0.27  |
| 1,00,100 (1,00,100) Janakalyan Sahakari Bank Ltd | 10.01 | 10.01 |
| 5 (5) the Greater Bombay Co-op. Bank Ltd.        | 0.00  | 0.00  |
| 100 (100) Baramati Tollways Pvt. Ltd.            | 0.01  | 0.01  |

##### In equity shares of Subsidiaries - Fully paid up

|  |          |          |
|--|----------|----------|
| 4,00,000 (4,00,000) Mukhtangan Developers Pvt. Ltd.    | 190.00   | 190.00   |
| 10,00,000 (10,00,000) Prime Infrapark Pvt. Ltd.        | 100.00   | 100.00   |
| 5,100 (5,100) Bhopal Sanchi Highways Pvt. Ltd.         | 0.51     | 0.51     |
| 10,000 (10,000) Pratibha Holdings (Singapore) Pte. Ltd | 4.49     | 4.49     |
| Less: Diminution in value of investment in subsidairy  | (290.00) | (290.00) |

##### In Preference shares of Subsidiaries - Fully paid up

|  |       |       |
|--|-------|-------|
| 2,45,365 (2,45,365) Pratibha Holdings (Singapore) Pte. Ltd | 88.98 | 88.98 |
|--|-------|-------|

##### Investment in Associate Companies

|   |         |         |
|---|---------|---------|
| Saudi Pratibha Industries LLC             | 69.67   | 69.67   |
| Less: Provision for Investment Impairment | (69.67) | (69.67) |

|                              |           |           |
|------------------------------|-----------|-----------|
| Investment in Joint ventures | 48,460.90 | 50,834.22 |
|------------------------------|-----------|-----------|

#### Quoted

|                          |      |      |
|--------------------------|------|------|
| Investment in Gold Coins | 3.15 | 3.15 |
|--------------------------|------|------|

#### Total

|                  |                  |
|------------------|------------------|
| <b>48,568.32</b> | <b>50,941.64</b> |
|------------------|------------------|

#### Aggregate value of

|                                    |           |           |
|------------------------------------|-----------|-----------|
| Quoted Investments                 | 3.15      | 3.15      |
| Market Value - Quoted Investments  | 3.15      | 3.15      |
| Unquoted Investments               | 48,924.85 | 51,298.17 |
| Impairment in value of investments | 359.67    | 359.67    |

### 5 Loans

#### Security Deposits

|   |            |            |
|---|------------|------------|
| Secured, considered good                    | -          | -          |
| Unsecured, considered good                  | 62.65      | 137.45     |
| Doubtful                                    | 1,195.62   | 1,195.62   |
| Less: Provision for Doubtful Deposit Others | (1,195.62) | (1,195.62) |

#### Total

|              |               |
|--------------|---------------|
| <b>62.65</b> | <b>137.45</b> |
|--------------|---------------|

5.1 Refer Note No. 1.VII(a), 1.VIII, 49, 53 and 54



# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Financial Statements

(Rs. in Lakhs unless otherwise stated)

|  |                   |                   |
|--|-------------------|-------------------|
| <b>6 Others</b>                                      | <b>As at</b>      | <b>As at</b>      |
|  | <b>31.03.2020</b> | <b>31.03.2019</b> |
| Term deposits with more than 12 months maturity      | 277.12            | 277.12            |
| <b>Total</b>   | <b>277.12</b>     | <b>277.12</b>     |
| 6.1 For details on Margin Money, Refer Note no. 11.1 |                   |                   |
| <b>7 Other Non-Current Assets</b>                    | <b>As at</b>      | <b>As at</b>      |
|  | <b>31.03.2020</b> | <b>31.03.2019</b> |
| Capital Advances                                     | 126.27            | 125.43            |
| Balance with statutory/ Government Authorities       | 20,320.48         | 16,265.82         |
| Others   | 1.67              | 1.67              |
| <b>Total</b>   | <b>20,448.41</b>  | <b>16,392.91</b>  |
| 7.1 Refer Note No. 1.VII(b), 1.IX and 1.X            |                   |                   |
| <b>8 Inventories</b>                                 | <b>As at</b>      | <b>As at</b>      |
|  | <b>31.03.2020</b> | <b>31.03.2019</b> |
| Raw materials  | 34.47             | 67.14             |
| Work-in-progress                                     | 31,622.12         | 31,622.12         |
| <b>Total</b>   | <b>31,656.59</b>  | <b>31,689.26</b>  |
| 8.1 Refer Note No. 1.XIII and 49                     |                   |                   |
| <b>9 Trade Receivables</b>                           | <b>As at</b>      | <b>As at</b>      |
|  | <b>31.03.2020</b> | <b>31.03.2019</b> |
| Secured, considered good                             | -                 | -                 |
| Unsecured, considered good                           | 6,679.34          | 4,300.97          |
| Doubtful   | 8,520.53          | 8,520.53          |
| Less: Provision for Doubtful debts                   | (8,520.53)        | (8,520.53)        |
| <b>Total</b>   | <b>6,679.34</b>   | <b>4,300.97</b>   |
| 9.1 Refer Note No. 1.VII, 54 and 57                  |                   |                   |
| <b>10 Cash and Cash Equivalents</b>                  | <b>As at</b>      | <b>As at</b>      |
|  | <b>31.03.2020</b> | <b>31.03.2019</b> |
| Balances with Banks                                  | 2,383.40          | 1,897.79          |
| Cash on hand   | 1.85              | 1.58              |
| <b>Total</b>   | <b>2,385.24</b>   | <b>1,899.38</b>   |
| 10.1. Refer Note no. 1.XXIII and 53                  |                   |                   |

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Financial Statements

(Rs. in Lakhs unless otherwise stated)

### 11 Bank Balances

Term Deposits for less than 12 months

#### Total

Balances with bank held as margin money deposit against guarantees / Letter of Credit

Balances with bank held as collateral securities

Balances with bank held as investment in liquid assets for Public deposits maturity.

|   | As at<br>31.03.2020 | As at<br>31.03.2019 |
|---|---------------------|---------------------|
| Term Deposits for less than 12 months   | 3,504.05            | 1,104.05            |
| <b>Total</b>  | <b>3,504.05</b>     | <b>1,104.05</b>     |
| Balances with bank held as margin money deposit against guarantees / Letter of Credit | 1,393.85            | 1,393.85            |
| Balances with bank held as collateral securities                                      | -                   | -                   |
| Balances with bank held as investment in liquid assets for Public deposits maturity.  | -                   | -                   |

11.1 Term Deposit (Note 6 & Note 11) as on March 31, 2020 and March 31, 2019 include restricted balances of Rs. 1,393.85 Lakhs. The restrictions are primarily on account of balances held as margin money deposits against guarantees.

### 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. 1.VII(a), 1.VIII, 49, 53 and 54

|                                      | As at<br>31.03.2020 | As at<br>31.03.2019 |
|--------------------------------------|---------------------|---------------------|
| Retention & Security Deposits        |                     |                     |
| Secured, considered good             | -                   | -                   |
| Unsecured, considered good           | 21,665.71           | 22,513.06           |
| Doubtful                             | 3,856.26            | 3,856.26            |
| Less: Provision for Doubtful Deposit | (3,856.26)          | (3,856.26)          |
| Loans & Advances to Employees        | 4.61                | 6.46                |
| <b>Total</b>                         | <b>21,670.32</b>    | <b>22,519.53</b>    |

### 13 Others

Interest Accrued But Not Due

Loans & Advances to Related Parties

Other assets

#### Total

13.1 Refer note number 1.VII(a), 1.VIII, 37, 49, 53 and 54

|                                     | As at<br>31.03.2020 | As at<br>31.03.2019 |
|-------------------------------------|---------------------|---------------------|
| Interest Accrued But Not Due        | 205.92              | 72.39               |
| Loans & Advances to Related Parties | 97,925.07           | 95,775.96           |
| Other assets                        | 1,216.24            | 1,216.24            |
| <b>Total</b>                        | <b>99,347.23</b>    | <b>97,064.60</b>    |

### 14 Other Current Assets

Advances

Mobilisation Advance

Advances to suppliers

Prepaid Expenses

Other Current Assets

#### Total

14.1 Refer Note No. 1.VII(b), 1.IX and 1.X

|                       | As at<br>31.03.2020 | As at<br>31.03.2019 |
|-----------------------|---------------------|---------------------|
| Advances              |                     |                     |
| Mobilisation Advance  | 117.81              | 117.81              |
| Advances to suppliers | 10,240.65           | 6,263.36            |
| Prepaid Expenses      | 2.41                | 24.77               |
| Other Current Assets  | 11.37               | 11.37               |
| <b>Total</b>          | <b>10,372.23</b>    | <b>6,417.30</b>     |

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

### 15 Equity Share Capital

#### Authorised Capital

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

#### Issued, Subscribed & Paid Up Capital

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

#### Total

|                                      | As at<br>31.03.2020 | As at<br>31.03.2019 |
|--------------------------------------|---------------------|---------------------|
| Authorised Capital                   | 7,000.00            | 7,000.00            |
| Issued, Subscribed & Paid Up Capital | 4,771.95            | 4,771.95            |
| <b>Total</b>                         | <b>4,771.95</b>     | <b>4,771.95</b>     |

### 15.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period

| Issued Share Capital               | As at 31.03.2020 |                         | As at 31.03.2019 |                         |
|------------------------------------|------------------|-------------------------|------------------|-------------------------|
|                                    | No of Shares     | Amount<br>(Rs in Lakhs) | No of Shares     | Amount<br>(Rs in Lakhs) |
| Number of Shares at the beginning  | 2,385.97         | 4,771.95                | 2,385.97         | 4,771.95                |
| Changes during the period          | -                | -                       | -                | -                       |
| <b>Number of Shares at the end</b> | <b>2,385.97</b>  | <b>4,771.95</b>         | <b>2,385.97</b>  | <b>4,771.95</b>         |

### 15.2 Terms/Rights attached to equity shares

Equity shares are having a par value of Rs 2 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees.

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

### 15.3 Details of shareholders holding more than 5% shares in the company

| Particulars                                  | As at 31.03.2020 |        | As at 31.03.2019 |        |
|--|------------------|--------|------------------|--------|
|  | No of shares     | %      | No of shares     | %      |
| <b>Equity shares of Rs 2 each fully paid</b> |                  |        |                  |        |
| Bank of Baroda                               | 252.81           | 10.60% | 252.81           | 10.60% |
| Union Bank of India                          | 162.60           | 6.81%  | 162.60           | 6.81%  |
| Ajit B Kulkarni                              | 155.12           | 6.50%  | 155.12           | 6.50%  |
| Allahabad Bank                               | 147.66           | 6.19%  | 147.66           | 6.19%  |
| Central Bank of India                        | 129.02           | 5.41%  | 129.02           | 5.41%  |
| Axis Bank Limited                            | 125.04           | 5.24%  | 125.04           | 5.24%  |

15.4 As per the records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

15.5 During preceding five years, the company has neither issued bonus shares nor issued shares without consideration. It has also not bought back shares during these years.

### 16 Other Equity

Retained Earnings

#### Other Reserves

Securities Premium Reserve

General Reserve

Remeasurements of the defined benefit plans

Exchange differences in translating the financial statements of a foreign operation

#### Total

|   | As at<br>31.03.2020  | As at<br>31.03.2019  |
|---|----------------------|----------------------|
| Retained Earnings   | (4,97,225.86)        | (4,90,876.31)        |
| 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 | (123.10)             | (123.10)             |
| <b>Total</b>  | <b>(4,30,485.54)</b> | <b>(4,24,136.00)</b> |

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

### 17 Borrowings

#### Term Loans

From Financial Institutions

#### **Total**

#### The above amount includes

Secured Borrowings

Unsecured Borrowings

Secured by Personal Guarantee by Promoters/ erstwhile Directors

|   | As at<br>31.03.2020 | As at<br>31.03.2019 |
|---|---------------------|---------------------|
|   | 88.06               | 135.50              |
| <b>Total</b>  | <b>88.06</b>        | <b>135.50</b>       |
| <u>The above amount includes</u>                                |                     |                     |
| Secured Borrowings  | -                   | -                   |
| Unsecured Borrowings  | 88.06               | 135.50              |
| Secured by Personal Guarantee by Promoters/ erstwhile 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 & erstwhile directors of the company. Entire loan amounts have 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 11.95% p.a. to 13.55% 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 & erstwhile directors of the company. Entire loan amounts have 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 & erstwhile directors of the company.

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:-

#### **Name**

Allahabad Bank

Bank of Baroda

Bank Of Maharashtra

Central Bank Of India

Export Import Bank Of India

BMW Financial Services

Daimler Financial Services

|  | Amount of default | Range of Default<br>(in days) |
|--|-------------------|-------------------------------|
|  | 5,472.00          | 91 - 1461                     |
|  | 3,000.00          | 700 - 1154                    |
|  | 10,000.00         | 790-1431                      |
|  | 3,813.75          | 30-1034                       |
|  | 12,100.00         | 1095-1460                     |
|  | 2.48              | 396-424                       |
|  | 34.00             | 29-729                        |

### 18 Provisions

Provision for Gratuity

#### **Total**

18.1. Refer Note No. 1.XVI

|              | As at<br>31.03.2020 | As at<br>31.03.2019 |
|--------------|---------------------|---------------------|
|              | 159.01              | 159.01              |
| <b>Total</b> | <b>159.01</b>       | <b>159.01</b>       |

### 19 Deferred Tax Liabilities

#### Deferred Tax Liability

- On account of Depreciation difference

- On account of Fair Value of Investment in Gold

#### Deferred Tax Asset

- On Account of Losses

#### **Total**

19.1 Refer Note No. 1. XVII (ii)

|                           | As at<br>31.03.2020 | As at<br>31.03.2019 |
|---------------------------|---------------------|---------------------|
|                           | 3,533.36            | 3,430.67            |
|                           | 0.09                | 0.09                |
| <u>Deferred Tax Asset</u> |                     |                     |
| - On Account of Losses    | (3,533.46)          | (3,430.76)          |
| <b>Total</b>              | -                   | -                   |

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

### 20 Borrowings

Rupee loan from banks  
Deferred Payment Liabilities

#### Total

The above amount includes

Secured Borrowings  
Unsecured Borrowings  
Secured by Personal Guarantee by Promoters/ erstwhile Directors

| As at<br>31.03.2020 | As at<br>31.03.2019 |
|---------------------|---------------------|
| 3,76,262.34         | 3,72,786.63         |
| 1,435.77            | 1,435.77            |
| <b>3,77,698.10</b>  | <b>3,74,222.40</b>  |

|             |             |
|-------------|-------------|
| 3,76,262.34 | 3,72,786.63 |
| 1,435.77    | 1,435.77    |
| 3,76,262.34 | 3,72,786.63 |

20.1. Rupee loan is taken from various banks at interest rates ranging from 11.15% to 13.35% p.a. These loans are secured against i) first charge by hypothecation of current assets, namely stock of raw materials, work-in-progress and receivables, ii) first charge on the gross block iii) Project specific current assets and iii) Personal guarantees of Promoter-erstwhile Directors of the company.

### 21 Other Financial Liabilities

Current maturities of long-term debt\*  
Interest due but not paid  
Unpaid matured deposits and interest accrued thereon\*\*  
Creditors for Capital expenses  
Security Deposits  
Advances From Related Parties #  
Other Payables

#### Total

21.2 \* Refer Note No. 17.1 & 17.2 for terms and securities

21.2 \*\* Refer Note No. 17.3 for terms and securities

21.3 # Refer note number 1.VIII (ii), 37, 53

21.4 Refer note number 1.VIII (ii) and 53

| As at<br>31.03.2020 | As at<br>31.03.2019 |
|---------------------|---------------------|
| 1,26,273.89         | 1,27,280.48         |
| 1,06,193.51         | 1,06,193.51         |
| 3,057.88            | 3,057.88            |
| 65.17               | 73.15               |
| 15,772.61           | 15,766.27           |
| 33,784.74           | 30,117.64           |
| 6,233.59            | 5,823.97            |
| <b>2,91,383.10</b>  | <b>2,88,317.88</b>  |

### 22 Other Current Liabilities

Revenue received in advance  
Mobilisation advance  
Withholding & other taxes payable

#### Total

| As at<br>31.03.2020 | As at<br>31.03.2019 |
|---------------------|---------------------|
| 1,894.59            | 495.46              |
| 1,302.84            | 1,299.86            |
| 15,359.20           | 12,977.25           |
| <b>18,556.64</b>    | <b>14,772.56</b>    |

### 23 Provisions

Provision for Gratuity

#### Total

23.1. Refer Note No. 1.XVI

| As at<br>31.03.2020 | As at<br>31.03.2019 |
|---------------------|---------------------|
| 143.95              | 143.95              |
| <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<br/>31.03.2020</b> | <b>For the year ended<br/>31.03.2019</b> |
|           | Construction and allied revenue                    | 16,936.37                                | 31,604.26                                |
|           | <u>Other Operating Revenue</u>                     |  |  |
|           | Sale of Scrap                                      | 4.70                                     | -  |
|           | <b>Total</b>                                       | <b>16,941.07</b>                         | <b>31,604.26</b>                         |
| <b>25</b> | <b>Other Income</b>                                | <b>For the year ended<br/>31.03.2020</b> | <b>For the year ended<br/>31.03.2019</b> |
|           | Interest Income                                    | 284.75                                   | 364.89                                   |
|           | Profit on sale of Fixed Assets                     | 607.40                                   | 3.68                                     |
|           | Sundry Balance Written Back                        | 132.58                                   | 4,866.31                                 |
|           | Other non-operating income                         | 0.67                                     | 126.53                                   |
|           | <b>Total</b>                                       | <b>1,025.39</b>                          | <b>5,361.41</b>                          |
| <b>26</b> | <b>Cost of materials consumed</b>                  | <b>For the year ended<br/>31.03.2020</b> | <b>For the year ended<br/>31.03.2019</b> |
|           | Raw Material Stock at the beginning of the period  | 67.14                                    | 2,879.43                                 |
|           | Add :- Purchases during the year                   | 327.41                                   | 6,680.10                                 |
|           |  | 394.56                                   | 9,559.53                                 |
|           | Less : Raw Material Stock at the end of the period | 34.47                                    | 67.14                                    |
|           | <b>Total</b>                                       | <b>360.09</b>                            | <b>9,492.39</b>                          |
| <b>27</b> | <b>Construction &amp; Operating Expenses</b>       | <b>For the year ended<br/>31.03.2020</b> | <b>For the year ended<br/>31.03.2019</b> |
|           | Sub-contract & Labour Charges                      | 15,743.71                                | 31,378.08                                |
|           | Repairs & Maintenance - Machinery                  | 20.70                                    | 38.03                                    |
|           | Equipment Hire Charges                             | 0.74                                     | 17.05                                    |
|           | Power & Fuel Charges                               | -  | 39.50                                    |
|           | Freight Inwards                                    | 55.84                                    | 0.37                                     |
|           | Site Mobilisation Expenses                         | -  | 0.05                                     |
|           | Other Expenses                                     | 38.97                                    | 116.88                                   |
|           | <b>Total</b>                                       | <b>15,859.95</b>                         | <b>31,589.95</b>                         |
| <b>28</b> | <b>Changes in inventories of work-in-progress</b>  | <b>For the year ended<br/>31.03.2020</b> | <b>For the year ended<br/>31.03.2019</b> |
|           | <u>Inventory at the end of the period</u>          |  |  |
|           | Construction Work-In-Progress                      | 31,622.12                                | 31,622.12                                |
|           | <u>Inventory at the beginning of the period</u>    |  |  |
|           | Construction Work-In-Progress.                     | 31,622.12                                | 31,160.37                                |
|           | <b>Total</b>                                       | <b>-</b>                                 | <b>(461.75)</b>                          |
| <b>29</b> | <b>Employee benefits expense</b>                   | <b>For the year ended<br/>31.03.2020</b> | <b>For the year ended<br/>31.03.2019</b> |
|           | Contribution to PF & other fund                    | 31.07                                    | 34.60                                    |
|           | Salaries & Wages                                   | 925.80                                   | 1,366.08                                 |
|           | Staff Welfare Expenses                             | 3.99                                     | 13.30                                    |
|           | Gratuity Expenses                                  | -  | -  |
|           | <b>Total</b>                                       | <b>960.87</b>                            | <b>1,413.98</b>                          |

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

|   | <b>For the year ended<br/>31.03.2020</b> | <b>For the year ended<br/>31.03.2019</b> |
|---|--|--|
| <b>30 Finance costs</b>   |  |  |
| Interest  | 11.13                                    | 63,674.84                                |
| Exchange differences regarded as an adjustment to borrowing costs | -  | (0.38)                                   |
| LC & Bill Discounting Charges                                     | -  | (10.76)                                  |
| Other borrowing costs   | 118.09                                   | 7,596.57                                 |
| <b>Total</b>  | <b>129.22</b>                            | <b>71,260.27</b>                         |
| <b>31 Depreciation and amortization expense</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 Other expenses</b>  |  |  |
| Advertising & Business Promotion Expenses                         | -  | 0.21                                     |
| Auditors Remuneration   | 2.00                                     | 10.00                                    |
| Commission & Brokerage Expenses                                   | -  | 0.01                                     |
| Computer & Software Expenses                                      | 10.52                                    | 28.83                                    |
| Electricity Charges   | 22.80                                    | 17.76                                    |
| General Expenses  | 79.05                                    | 6.73                                     |
| Insurance Charges   | 25.07                                    | 68.54                                    |
| Legal Fees & Professional Charges                                 | 1,222.78                                 | 260.48                                   |
| Loss on Sale of Fixed Asset                                       | -  | 9,808.96                                 |
| Postage & Courier Charges   | 1.78                                     | 1.23                                     |
| Printing & Stationery   | 1.42                                     | 2.64                                     |
| Rates & Taxes   | 164.24                                   | 81.47                                    |
| Rent  | 176.76                                   | 120.51                                   |
| Assets Impairment   | -  | 29.16                                    |
| Repairs & Maintenance - Office                                    | 47.81                                    | 23.68                                    |
| Security Service Charges  | 11.49                                    | 14.44                                    |
| Sundry Balance Written Off (Net)                                  | 44.22                                    | 2,524.11                                 |
| Travelling & Visa Expenses  | 19.02                                    | 28.08                                    |
| Provision for Doubtful/Bad Debts - Expenses                       | -  | 13,572.41                                |
| Telephone & Internet Expenses                                     | 8.81                                     | 19.54                                    |
| Vehicle Expenses  | 28.53                                    | 28.57                                    |
| Share of Loss from JV   | 2,184.81                                 | 30,159.85                                |
| Share of Loss from Non Consolidating JVs                          | 125.73                                   | 4,656.06                                 |
| Fixed Asset Written Off   | -  | 6,910.79                                 |
| BG Encashment Balance Written Off                                 | -  | 9,441.31                                 |
| Provision for Diminution in value of Investment Impairment        | -  | 359.67                                   |
| Foreign Exchange Fluctuation                                      | -  | 572.77                                   |
| <b>Total</b>  | <b>4,176.84</b>                          | <b>78,747.82</b>                         |

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

| <b>33</b> | <b>Items that will not be reclassified to profit or loss</b>   | <b>For the year ended<br/>31.03.2020</b> | <b>For the year ended<br/>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<br/>31.03.2020</b> | <b>For the year ended<br/>31.03.2019</b> |
|           | Exchange differences in translating the financial statements of a foreign operation  | -  | -  |
|           | 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>-</b>                                 | <b>-</b>                                 |
| <b>35</b> | <b>Earnings Per Share</b>  | <b>For the year ended<br/>31.03.2020</b> | <b>For the year ended<br/>31.03.2019</b> |
|           | Profit/(Loss) attributable to Equity shareholders  | (6,349.54)                               | (1,58,887.00)                            |
|           | Weighted Average Number of Shares for Basic and Diluted EPS  | 2,385.97                                 | 2,385.97                                 |
|           | Basic EPS (Amount in `)  | (2.66)                                   | (66.59)                                  |
|           | Diluted EPS (Amount in `)  | (2.66)                                   | (66.59)                                  |



# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

### 36 Contingent Liabilities:

|  | As at 31 <sup>st</sup> March 2020 | As at 31 <sup>st</sup> March 2019 |
|--|-----------------------------------|-----------------------------------|
| i. Bank Guarantee  | 39,075.18                         | 49,776.51                         |
| ii. Corporate Guarantee  | 40,088.91                         | 40,088.91                         |
| iii. Income Tax liability (excluding Penalties) that may arise. The matters are in appeal and since ITAT had passed favorable orders in past, the liability may not arise. Accordingly no provision has been made. | 31,738.15                         | 31,738.15                         |
| iv. Cases in the court, which in the opinion of the management, require no provision of liability than what is recorded in accounts  | 14,191.49                         | 16,550.26                         |

36.1. Corporate Guarantee amounting to Rs. 13,574.91 lakhs given for wholly owned subsidiary Prime Infrapark Pvt Ltd to 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 company is in liquidation, it is expected that no such liability will arise/ payable by the company.

36.4. In respect of court cases filed against the company, 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 company is in liquidation, it is expected that no such liability will arise/ payable by the 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 | 139.63           | 139.63           |
| 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 (E)    | 39.34            | -                |
| <b>Total</b>   | <b>17,085.66</b> | <b>8,626.93</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, Karnataka VAT - FY 2010-11 and FY 2011-12  | 2,451.86         | 2,451.86         |
| GST Department - Maharashtra (VAT, CST) - FY 2008-09 to FY 2012-13                  | 3,780.67         | 3,780.67         |
| GST Department - Maharashtra (VAT, CST) - FY 2012-13 and FY 2014-15                 | 5,941.03         | 5,941.03         |
| Deputy Commissioner of Income Tax - Central Circle 3(1), Mumbai                     | 17,600.56        | 17,600.56        |
| Assistant Commissioner of CGST & CENTRAL EXCISE, Mumbai East                        | 3,431.52         | 3,431.52         |
| GST Department - Maharashtra (VAT, CST) - Interest Order - FY 2008-09 to FY 2012-13 | 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 Liquidator is hopeful that substantial amount will be allowed as claim in favor of the Company.

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

### 37 Related Party Disclosure:

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

#### Subsidiary Companies

Prime Infrapark Pvt. Ltd  
Muktangan Developers Pvt. Ltd.  
Pratibha Holding (Singapore) Pte. Ltd  
Pratibha Infra Lanka (Private) Ltd  
(Wholly owned subsidiary of Pratibha Holding (Singapore) Pte Limited)  
Bhopal Sanchi Highways Pvt. Ltd.

#### Associates

Saudi Pratibha Industries Limited

#### Joint Ventures

|                                    |  |
|------------------------------------|--|
| Petron Pratibha JV                 | Pratibha Aparna JV   |
| Pratibha JV                        | Pratibha Membrane Filters JV   |
| Pratibha Ostu Stettin JV           | Pratibha Mosinzstroi Consortium  |
| Pratibha Rohit JV                  | Pratibha CRFG JV   |
| Patel Pratibha JV                  | Pratibha GECPL JV  |
| Ping Digital Media Private Limited | Pratibha Pipes & Structural Consortium                                 |
| Pratibha Unity JV                  | Gammon Pratibha JV   |
| MEIL Saisudhir Pratibha JV         | FEMC Pratibha JV   |
| Pratibha China State JV            | KBL PIL Consortium   |
| Unity Pratibha Multimedia JV       | Pratibha Jain Irrigation Navana JV                                     |
| Niraj Pratibha JV                  | Pratibha Yogiraj JV  |
| Unity Pratibha Consortium          | Pratibha Industries Limited Yogiraj JV                                 |
| ITD Pratibha Consortium            | Pratibha Ranjit JV   |
| Pratibha GIN KJI Consortium        | Pratibha CSL Sudhir Constructions JV                                   |
| Pratibha SMS JV                    | TCPL Pratibha JV   |
| Pratibha Al Ambia 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  
Pratibha Ranjit JV  
Niraj Pratibha JV  
Pratibha China State JV  
Pratibha SMS JV

##### Total

|                         | FY 2019-20    | FY 2018-19    |
|-------------------------|---------------|---------------|
| TCPL Pratibha JV        | -             | 81.70         |
| Pratibha Ranjit JV      | -             | 23.56         |
| Niraj Pratibha JV       | 66.84         | -             |
| Pratibha China State JV | 26.73         | -             |
| Pratibha SMS JV         | 17.76         | -             |
| <b>Total</b>            | <b>111.33</b> | <b>105.26</b> |

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

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

|                                  | FY 2019-20     | FY 2018-19      |
|----------------------------------|----------------|-----------------|
| Pratibha Al Ambia JV             | 3.02           | (74.84)         |
| Pratibha GECPL JV                | -              | 10.81           |
| Pratibha Mosinzhstroj Consortium | (34.34)        | 4,066.15        |
| MEIL Saisudhir Pratibha JV       | -              | (19.32)         |
| Niraj Pratibha JV                | 3.02           | -               |
| Pratibha China State JV          | 0.89           | -               |
| <b>Total</b>                     | <b>(27.41)</b> | <b>3,982.80</b> |

### Loan/Advance accepted/ (repaid)

|  | FY 2019-20      | FY 2018-19         |
|--|-----------------|--------------------|
| Niraj Pratibha JV                      | -               | (8.33)             |
| Pratibha FEMC JV                       | 1,145.95        | (19,200.41)        |
| Pratibha Yogiraj JV                    | 26.65           | 4.09               |
| Pratibha Industries Limited Yogiraj JV | 334.15          | (111.50)           |
| Pratibha SMS JV                        | 68.00           | -                  |
| <b>Total</b>                           | <b>1,574.75</b> | <b>(19,316.15)</b> |

### Guarantee given

|                     | FY 2019-20 | FY 2018-19      |
|---------------------|------------|-----------------|
| Pratibha Yogiraj JV | -          | 1,584.46        |
| <b>Total</b>        | <b>-</b>   | <b>1,584.46</b> |

### Investment made/(Withdrawn)

|                              | 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

|                      | 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>48.17</b> | <b>71.52</b> |

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

#### Subsidiaries

##### Investments held by the Company

|  | 2019-20       | 2018-19       |
|--|---------------|---------------|
| Bhopal Sanchi Highways Pvt. Ltd.       | 0.51          | 0.51          |
| Muktangan Developers Pvt. Ltd.         | 190.00        | 190.00        |
| Pratibha Holding (Singapore) Pvt. Ltd. | 93.47         | 93.47         |
| Prime Infrapark Pvt. Ltd.              | 100.00        | 100.00        |
| <b>Total</b>                           | <b>383.98</b> | <b>383.98</b> |

##### Loans and Advances Given

|                                       | 2019-20          | 2018-19          |
|---------------------------------------|------------------|------------------|
| Bhopal Sanchi Highways Pvt. Ltd.      | 7,350.70         | 7,350.70         |
| Muktangan Developers Pvt. Ltd.        | 1,248.69         | 1,248.69         |
| Pratibha Holding (Singapore) Pte Ltd. | 23.11            | 23.11            |
| Prime Infrapark Pvt. Ltd.             | 9,168.90         | 9,168.90         |
| Pratibha Infra Lanka (Private) Ltd.*  | 39.30            | 39.30            |
| <b>Total</b>                          | <b>17,830.70</b> | <b>17,830.70</b> |

\*Step Down Subsidiary

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

### Associate /Affiliates

#### Investments held by the Company

Saudi Pratibha Industries Ltd.

#### **Total**

| 2019-20      | 2018-19      |
|--------------|--------------|
| 69.67        | 69.67        |
| <b>69.67</b> | <b>69.67</b> |

#### Loans and Advances Given

Saudi Pratibha Industries Ltd.

#### **Total**

| 2019-20      | 2018-19      |
|--------------|--------------|
| 94.81        | 94.81        |
| <b>94.81</b> | <b>94.81</b> |

### Joint Ventures

#### Investments held by the Company

ITD Pratibha Consortium

Niraj Pratibha JV

Patel Pratibha JV

Pratibha Al Ambia JV

Pratibha Aparna JV

Pratibha China State JV

Pratibha CRFG JV

FEMC Pratibha JV

Pratibha GECPL JV

Pratibha Industries Limited Yogiraj JV

Pratibha JV

Pratibha Membrane Filters JV

Pratibha Mosinzhsroi Consortium

Pratibha Ostu Stettin JV

Pratibha Pipes & Structural Consortium

Pratibha Rohit JV

Pratibha SMS JV

Pratibha Yogiraj JV

Unity Pratibha Consortium

Unity Pratibha Multimedia JV

#### **Total**

| 2019-20          | 2018-19          |
|------------------|------------------|
| (55.74)          | (55.74)          |
| 6,611.52         | 6,546.34         |
| 37.07            | 37.07            |
| (551.43)         | (548.41)         |
| (2,406.26)       | (2,354.14)       |
| (3,089.05)       | (3,088.51)       |
| (7,627.62)       | (7,625.66)       |
| 28,886.51        | 29,807.99        |
| (894.90)         | (890.11)         |
| 6,607.57         | 6,616.83         |
| (2.95)           | 56.30            |
| 506.78           | 569.58           |
| 14,209.05        | 15,328.22        |
| 127.97           | 161.49           |
| (0.33)           | 0.62             |
| (64.96)          | (64.96)          |
| 880.07           | 880.08           |
| 4,651.69         | 4,686.80         |
| 522.75           | 619.40           |
| 113.17           | 151.04           |
| <b>48,460.91</b> | <b>50,834.23</b> |

#### Retention Deposit Given

ITD Pratibha Consortium

Patel Pratibha JV

#### **Total**

| 2019-20       | 2018-19       |
|---------------|---------------|
| 47.32         | 47.32         |
| 180.07        | 180.07        |
| <b>227.39</b> | <b>227.39</b> |

#### Trade Receivables

Pratibha China State JV

Pratibha GIN KJI Consortium

Pratibha Ostu Stettin JV

#### **Total**

| 2019-20         | 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> |

#### Mobilisation Advance Received

Pratibha China State JV

#### **Total**

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

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

### Loans and Advances Given

|  | 2019-20          | 2018-19          |
|--|------------------|------------------|
| ITD Pratibha Consortium                | 15.33            | 15.33            |
| Pratibha Al Ambia JV                   | 5,666.13         | 5,663.11         |
| Pratibha Aparna JV                     | 2,793.62         | 2,793.62         |
| Pratibha CRFG JV                       | 8,370.61         | 8,370.61         |
| Pratibha GECPL JV                      | 973.01           | 973.01           |
| Pratibha Mosinzhstroi Consortium       | 43,083.64        | 43,117.98        |
| Pratibha Rohit JV                      | 0.07             | 0.07             |
| KBL PIL Consortium                     | 43.89            | 43.89            |
| MEIL Saisudhir Pratibha JV             | 122.35           | 122.35           |
| Pratibha Pipes & Structural Consortium | 4.04             | 4.04             |
| <b>Total</b>                           | <b>61,072.69</b> | <b>61,104.01</b> |

### Loans and Advances Accepted

|  | 2019-20          | 2018-19          |
|--|------------------|------------------|
| Niraj Pratibha JV                      | 3.98             | 70.83            |
| FEMC Pratibha JV                       | 4,903.13         | 3,757.18         |
| Pratibha Industries Limited Yogiraj JV | 6,471.44         | 6,137.29         |
| Pratibha JV                            | 62.37            | 62.37            |
| Pratibha Membrane Filters JV           | 377.26           | 377.26           |
| Pratibha SMS JV                        | 597.98           | 547.74           |
| Pratibha Yogiraj JV                    | 5,755.61         | 5,728.95         |
| Unity Pratibha Consortium              | 546.35           | 546.35           |
| Unity Pratibha Multimedia JV           | 37.76            | 37.76            |
| Gammon Pratibha JV                     | 22.09            | 22.09            |
| Pratibha GIN KJI Consortium            | 9.78             | 9.78             |
| <b>Total</b>                           | <b>18,787.75</b> | <b>17,297.60</b> |

### 38 Component Accounting for Fixed Assets

In opinion of the management, based on internal verification of the assets of the company, 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 and Equipment.

### 39 Leases:

The company 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 Company has recognized following rental expenses:

|                        | 2019-20       | 2018-19       |
|------------------------|---------------|---------------|
| House Rent             | 176.76        | 120.51        |
| Equipment Hire Charges | 0.74          | 17.05         |
| <b>Total</b>           | <b>177.50</b> | <b>137.56</b> |

### 40 Disclosure as per amendment to clause 32 of the Listing Agreement

|   | Balance as at   |                 | Maximum Balance during the year ended |                 |
|---|-----------------|-----------------|---------------------------------------|-----------------|
|   | 31st March 2020 | 31st March 2019 | 31st March 2020                       | 31st March 2019 |
| <b>Loans and Advances in the nature</b> |                 |                 |                                       |                 |
| Prime Infrapark Pvt. Ltd                | 9,168.90        | 9,168.90        | 9,168.90                              | 9,168.90        |
| Muktangan Developers Pvt. Ltd.          | 1,248.69        | 1,248.69        | 1,248.69                              | 1,248.69        |
| Pratibha Holding (Singapore) Pte. Ltd   | 23.11           | 23.11           | 23.11                                 | 23.11           |
| Pratibha Infra Lanka (Private) Ltd      | 39.30           | 39.30           | 39.30                                 | 39.30           |
| Bhopal Sanchi Highways Pvt. Ltd.        | 7,350.70        | 7,350.70        | 7,350.70                              | 7,350.70        |
| <b>Loans and Advances in the nature</b> |                 |                 |                                       |                 |
| Saudi Pratibha Industries Ltd.          | 94.81           | 94.81           | 94.81                                 | 94.81           |
| <b>Loans and advances in the nature</b> | -               | -               | -                                     | -               |

\*Balance of Foreign entities is without considering effect of foreign exchange fluctuations.

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

### 41 Financial Reporting of Interest in Joint Ventures:

The investments in joint venture are governed by the Ind AS-31 "Interests in Joint Venture" issued by the Institute of Chartered Accountants of India. During the period under review, there were following active investments in the joint ventures:

| Name                                   | %      | Current Assets | Long Term Assets | Current Liabilities | Income   | Expenses |
|--|--------|----------------|------------------|---------------------|----------|----------|
| Patel Pratibha JV                      | 100%   | 247.82         | 11.10            | 477.78              | -        | -        |
| Pratibha JV                            | 95%    | -              | -                | 2.95                | -        | 59.25    |
| Pratibha SMS JV                        | 100%   | 643.44         | 355.54           | 118.91              | 17.76    | 17.78    |
| Unity Pratibha Consortium              | 100%   | 547.05         | 177.63           | 201.92              | -        | 96.60    |
| Niraj Pratibha JV                      | 50%    | 1,412.91       | 84.45            | 105.07              | 70.22    | 69.48    |
| Pratibha Ostu Stettin JV               | 50%    | 403.00         | 470.06           | 1,099.58            | -        | 33.52    |
| Pratibha Rohit JV                      | 80%    | 1.20           | -                | 90.60               | -        | -        |
| Pratibha CRFG JV                       | 100%   | 10,272.45      | 1,275.40         | 19,175.46           | -        | 1.96     |
| ITD Pratibha Consortium                | 100%   | 4.09           | 3.80             | 63.63               | -        | -        |
| Pratibha Al Ambia JV                   | 100%   | 5,246.65       | 310.84           | 6,108.92            | -        | 3.02     |
| Pratibha Aparna JV                     | 100%   | 469.72         | 16.77            | 2,892.76            | -        | 52.12    |
| Pratibha China State JV                | 60%    | 362.86         | 388.42           | 4,332.87            | 17.82    | 18.36    |
| Pratibha Membrane Filters JV           | 51%    | 88.77          | 47.64            | 67.34               | -        | 0.01     |
| Pratibha GECPL JV                      | 100%   | 136.26         | 42.10            | 1,073.25            | 0.25     | 5.04     |
| Pratibha Mosinzhstroj Consortium       | 100%   | 91,567.80      | 2,840.92         | 80,199.67           | 5,946.25 | 7,065.42 |
| Unity Pratibha Multimedia JV           | 100%   | 20.59          | 105.81           | 13.12               | -        | 37.87    |
| Pratibha Pipes & Structural Consortium | 40%    | 1.35           | 0.16             | 1.84                | -        | 0.95     |
| FEMC Pratibha JV                       | 100%   | 2,05,382.08    | 7,471.09         | 2,11,071.22         | 728.51   | 1,649.99 |
| Pratibha Yogiraj JV                    | 99.99% | 14,632.81      | 287.39           | 10,268.98           | -        | 35.11    |
| Pratibha Industries Limited Yogiraj JV | 99.99% | 18,580.39      | 822.98           | 12,796.46           | -        | 9.26     |
| KBL PIL Consortium*                    | 50%    | 0.11           | 49.28            | 49.39               | -        | 0.52     |
| Pratibha GIN KJI Consortium*           | 74%    | 59.71          | 734.44           | 822.11              | 8.11     | 8.11     |
| MEIL Saisudhir Pratibha JV*            | 25%    | 621.13         | -                | 88.11               | -        | -        |
| Gammon Pratibha JV *                   | 49%    | 172.37         | -                | 179.16              | -        | -        |

\* Joint Ventures are in the nature of jointly controlled operations.

As per Para 1, of Ind AS-31, "This statement should be applied in accounting for interests in joint ventures and the reporting of joint venture assets, liabilities, income, and expenses in the financial statements of ventures and investors, regardless of the structures or forms under which the joint venture activities take place."

Accordingly, incomes, expenses, assets, and liabilities are incorporated in the Consolidated Balance sheet of the Pratibha Industries Ltd.

### 42 Earning in Foreign Exchange :

|                  | 2019-20  | 2018-19      |
|------------------|----------|--------------|
| Consultancy Fees | -        | 81.70        |
| <b>Total</b>     | <b>-</b> | <b>81.70</b> |

### 43 Expenditure in Foreign Currency :

|                                       | 2019-20  | 2018-19       |
|---------------------------------------|----------|---------------|
| On Foreign Travel                     | -        | 1.38          |
| On Interest & Bank Commission Charges | -        | 502.63        |
| On Overseas Branch Expenses           | -        | 0.08          |
| <b>Total</b>                          | <b>-</b> | <b>504.09</b> |

44 During the year, the company has not remitted dividend in foreign currency (P.Y. NIL)

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

### 46 Segment Reporting:

The Company 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.

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

- 47 The Company has not made provision against Investment of Rs. 0.51 lakhs and Loans given of Rs. 7350.70 lakhs to its subsidiary M/s. Bhopal Sanchi Tollways Private Limited. While investment is carried at cost, advances are considered good and recoverable. Its Concession Agreement has been terminated by NHAI. The subsidiary company has lodged claim and the matter is under arbitration. The subsidiary company is in arbitration with NHAI and is hopeful of recovering its entire investment including Loans. Hence no provision has been made.
- 48 Due to lockdown and also lack of human resource, the company could not conduct physical verification of property, plant and equipment. 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.
- 49 Since the liquidation process is going on and the company is facing severe financial issues, the company 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).
- 50 Since the liquidation process is going on and the company is facing severe financial issues, the company 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.
- 51 There are various Statutory dues which are not paid by the company due to financial issues and ongoing liquidation process. No provision for interest has been made as the company doesn't expect any such additional liability on account of interest and penalty due to the ongoing liquidation process.
- 52 Due to financial distress and ongoing liquidation process, the Company could not repay public deposits on time and has defaulted in payments to many deposit holders.

### 53 Financial instruments:

#### 53.1. Categories of Financial Instruments:

|   | 31.03.2020         |                    | 31.03.2019         |                    |
|---|--------------------|--------------------|--------------------|--------------------|
|   | Carrying Amount    | Fair Value         | Carrying Amount    | Fair Value         |
| <b>Financial Assets</b>   |                    |                    |                    |                    |
| Measured at Amortised cost  |                    |                    |                    |                    |
| Investments   | 104.27             | 104.27             | 104.27             | 104.27             |
| Others  | 277.12             | 277.12             | 277.12             | 277.12             |
| Trade Receivables   | 6,679.34           | 6,679.34           | 4,300.97           | 4,300.97           |
| Cash and Cash Equivalents   | 2,385.24           | 2,385.24           | 1,899.38           | 1,899.38           |
| Bank Balances   | 3,504.05           | 3,504.05           | 1,104.05           | 1,104.05           |
| Loans   | 21,670.32          | 21,670.32          | 22,519.53          | 22,519.53          |
| Others  | 99,347.23          | 99,347.23          | 97,064.60          | 97,064.60          |
| <b>Total Financial assets measured at Amortised Cost</b>            | <b>1,33,967.57</b> | <b>1,33,967.57</b> | <b>1,27,269.92</b> | <b>1,27,269.92</b> |
| Measured at Fair Value Through Profit And Loss                      |                    |                    |                    |                    |
| Investments in Gold   | 3.15               | 3.15               | 3.15               | 3.15               |
| Investments in Joint Ventures                                       | 48,460.90          | 48,460.90          | 50,834.22          | 50,834.22          |
| Loans   | 62.65              | 62.65              | 137.45             | 137.45             |
| <b>Total Financial assets measured at Fair Value through Profit</b> | <b>48,526.70</b>   | <b>48,526.70</b>   | <b>50,974.82</b>   | <b>50,974.82</b>   |
| <b>Total Financial Assets</b>                                       | <b>1,82,494.27</b> | <b>1,82,494.27</b> | <b>1,78,244.74</b> | <b>1,78,244.74</b> |
| <b>Financial Liabilities</b>  |                    |                    |                    |                    |
| Measured at Amortised cost  |                    |                    |                    |                    |
| Borrowings  | 3,77,786.16        | 3,77,786.16        | 3,74,357.90        | 3,74,357.90        |
| Trade Payables (Current)  | 16,810.95          | 16,810.95          | 12,088.28          | 12,088.28          |
| Other Financial Liabilities   | 2,91,383.10        | 2,91,383.10        | 2,88,317.88        | 2,88,317.88        |
| <b>Total Financial Liabilities</b>                                  | <b>6,85,980.21</b> | <b>6,85,980.21</b> | <b>6,74,764.06</b> | <b>6,74,764.06</b> |

# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

### 54 Financial Instruments and Risk Review

#### Financial Risk Management Framework

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

#### 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 Company is exposed to credit risk in relation to financial guarantees given to various parties, by the Company. The Company's maximum exposure in this respect is the maximum amount the Company 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):

|   | <b>31<sup>st</sup> March 2020</b> | <b>31<sup>st</sup> March 2019</b> |
|---|-----------------------------------|-----------------------------------|
| Balance at the beginning of the year  | 8,520.53                          | -                                 |
| Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses | -                                 | 8,520.53                          |
| <b>Balance at the end of the year</b>   | <b>8,520.53</b>                   | <b>8,520.53</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 allowance):

|   | <b>31<sup>st</sup> March 2020</b> | <b>31<sup>st</sup> March 2019</b> |
|---|-----------------------------------|-----------------------------------|
| Balance at the beginning of the year  | 5,051.87                          | -                                 |
| Movement in the expected credit loss allowance on all the financial assets, other than trade receivables, calculated at lifetime expected credit losses | -                                 | 5,051.87                          |
| <b>Balance at the end of the year</b>   | <b>5,051.87</b>                   | <b>5,051.87</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 Company's exposure to market risk is primarily on account of interest rates, credit, liquidity and other market changes.

### 55 Income Taxes

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

|                                     | <b>31<sup>st</sup> March 2020</b> | <b>31<sup>st</sup> March 2019</b> |
|-------------------------------------|-----------------------------------|-----------------------------------|
| Current Tax                         | -                                 | -                                 |
| Deferred tax                        | -                                 | -                                 |
| <b>Total tax Expense/ (Benefit)</b> | <b>-</b>                          | <b>-</b>                          |



# Pratibha Industries Limited

CIN : L45200MH1995PLC090760

## Notes forming part of Standalone Financial Statements

(Rs. in Lakhs unless otherwise stated)

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

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

| Deferred tax balance in relation to | As at 1st April 2019 | Recognised/ reversed through profit and loss | Recognised/ reversed through OCI | As at 31st March 2020 |
|-------------------------------------|----------------------|--|----------------------------------|-----------------------|
| Property, Plant & Equipment         | 3,430.67             | 102.70                                       | -                                | 3,533.37              |
| Fair valuation of Gold              | 0.09                 | -  | -                                | 0.09                  |
| Business Losses                     | (3,430.76)           | (102.70)                                     | -                                | (3,533.46)            |
| <b>Total</b>                        | -                    | -  | -                                | -                     |

| Deferred tax balance in relation to | As at 1st April 2018 | Recognised/ reversed through profit and loss | Recognised/ reversed through OCI | As at 31st March 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>                        | -                    | -  | -                                | -                     |

56 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:

|  | 31.03.2020 | 31.03.2019 |
|--|------------|------------|
| 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 | -          | -          |

57 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 cannot be called from Trade payables. Claims received from vendors have been verified.

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

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.

Head off: Unit No. 1/B-56 & 1/B-57, 1st Floor, Phoenix Paragon Plaza, Phoenix Market City, LBS Road, Kurla (W),  
Mumbai – 400070, Maharashtra, India.

Ref. Number March 20/01

To,  
Ramanand and Associates  
6/C, Ostwal Park Building No. 4 CHSL,  
Near Jesal Park Jain Temple,  
Bhayandar East, District Thane, Pin – 401105

Dear Sir,

## Sub: List of Related Parties

This representation letter is provided in connection with your audit of the financial statements for the period ended 31st March, 2020. We acknowledge our responsibility for preparation of financial statements in accordance with the requirements of the Companies Act, 2013 and recognised accounting policies and practices, including the Accounting Standards issued by the Institute of Chartered Accountants of India. We confirm the following representation in respect of related parties:

1. We have identified all the related parties and transactions with all such parties. The information provided to you is complete in all respects.
2. The disclosures made in the financial statements are adequate having regard to the framework under which the financial statements have been drawn.
3. The financial statements are free from material misstatements, including omissions with regard to related parties and transactions with related parties.

Following is the list of Directors, Key Management Personnel & other related parties during the period ended 31st March, 2020:

| Sr. | Name of Related Party  | Relationship  |
|-----|--|---|
| 1   | Prime Infrapark Pvt. Ltd   | Subsidiary Companies  |
| 2   | Muktangan Developers Pvt. Ltd.   |   |
| 3   | Pratibha Holding (Singapore) Pte. Ltd  |   |
| 4   | Pratibha Infra Lanka (Private) Ltd<br>(Wholly owned subsidiary of Pratibha Holding (Singapore) Pvt. Limited) |   |
| 5   | Bhopal Sanchi Highways Pvt. Ltd.   |   |
| 6   | Saudi Pratibha Industries Limited  | Associates  |
| 7   | Pratibha Shareholding Private Limited  | Associates & Enterprises over which Key Managerial Personnel are able to exercise significant influence |
| 8   | Pratibha Heavy Engineering Limited   |   |
| 9   | Pratibha Membrane Filtering Systems Private Limited  |   |
| 10  | Mr. Ajit Kulkarni - Chairman and Director  | Key Managerial Personnel  |

# PRATIBHA INDUSTRIES LTD.

Head off: Unit No. 1/B-56 & 1/B-57, 1st Floor, Phoenix Paragon Plaza, Phoenix Market City, LBS Road, Kurla (W),  
Mumbai – 400070, Maharashtra, India.

|    |   |  |
|----|---|--|
| 11 | Mr. Sharad Deshpande - Director   |  |
| 12 | Mr. K. H. Sethuraman -CFO   |  |
| 13 | Mrs. Bhavana Shah –CS   |  |
| 14 | Mr. Ravi Kulkarni (Retired on 29/09/2017)                               | Close Relatives of Key Managerial Personnel  |
| 15 | Mr. Samidha Kulkarni  |  |
| 16 | Mr. Anand Kulkarni  |  |
| 17 | Ms. Nidhi Kulkarni  |  |
| 18 | Mrs. Manik Sharad Deshpande   |  |
| 19 | Pratibha Infrastructure Pvt. Ltd.                                       | Private Limited Company in which Director or his relative is a member or director and having significant influence |
| 20 | Pratibha Developers Pvt. Ltd.   |  |
| 21 | Elegant Infrastructure & Real Estate Pvt. Ltd.                          |  |
| 22 | Spark Infra Solutions Private Limited                                   |  |
| 23 | Celestial Consultancy Service PVT limited                               |  |
| 24 | ACME INFRASTRUCTURE MANAGEMENT AND CONSULTANCY SERVICES PRIVATE LIMITED |  |
| 25 | ANAND KULKARNI VENTURES PRIVATE LIMITED                                 |  |
| 26 | Ping Digital Media Private Limited                                      |  |

## For Pratibha Industries Limited



**Mr. Anil Mehta**  
Liquidator

Place: Mumbai

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

# PRATIBHA INDUSTRIES LTD.

Head off: Unit No. 1/B-56 & 1/B-57, 1st Floor, Phoenix Paragon Plaza, Phoenix Market City, LBS Road, Kurla (W),  
Mumbai – 400070, Maharashtra, India.

Ref Number March 20/02

To,  
Ramanand and Associates  
6/C, Ostwal Park Building No. 4 CHSL,  
Near Jesal Park Jain Temple,  
Bhayandar East, District Thane, Pin – 401105

Dear Sir,

## **Sub: Certificate for Loans & Advances**

With reference to above we hereby certify that following are the Short Term Loans & Advances of the company as at 31th March, 2020:

| <b>Particulars</b>                                      | <b>Amount in Rs.</b>   |
|---|------------------------|
| <b><u>Security Deposits</u></b>                         |                        |
| Short term security deposit (as per annexure A)         | 2,16,65,70,578         |
| Loans & Advances to related parties (as per annexure B) | 9,79,25,06,693         |
| <b><u>Other Loans &amp; Advances :</u></b>              |                        |
| - Loans & Advances to Employees                         | 4,61,111               |
| - Advances to Suppliers                                 | 1,02,40,64,508         |
| - Other Advances  | 11,36,744              |
| - Balance with Statutory/ Government Authorities        | -                      |
| <b>Total</b>  | <b>12,98,47,39,635</b> |

With reference to above we hereby certify that following are the Long Term Loans & Advances of the company as at 31th March, 2020:

| <b>Particulars</b>                             | <b>Amount in Rs.</b>  |
|--|-----------------------|
| Capital Advances                               | 1,26,26,770           |
| Security Deposits (as per annexure C)          | 62,64,519             |
| Balance with statutory/ Government Authorities | 2,03,20,48,021        |
| <b>Total</b>                                   | <b>2,05,09,39,310</b> |

This certificate is issued for Finalization of Accounts as on 31th March, 2020.

**For Pratibha Industries Limited**



**Mr. Anil Mehta**  
Liquidator

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

# PRATIBHA INDUSTRIES LTD.

Head off: Unit No. 1/B-56 & 1/B-57, 1st Floor, Phoenix Paragon Plaza, Phoenix Market City, LBS Road, Kurla (W),  
Mumbai – 400070, Maharashtra, India.

Ref Number March 19/05

To,  
Ramanand and Associates  
6/C, Ostwal Park Building No. 4 CHSL,  
Near Jesal Park Jain Temple,  
Bhayandar East, District Thane, Pin – 401105

Dear Sir,

## Sub: Certificate for Non-Current & Current Investment

With reference to above we hereby certify that following are the Investments of the company as at 31th March, 2020:

| Particulars   | Amount               |
|---|----------------------|
| <b>Unquoted</b>   |                      |
| <u>In equity shares - Fully paid up</u>                     |                      |
| 2,660 (2660) Abhyudaya Co Op. Bank Ltd                      | 26,600               |
| 1,00,100 (1,00,100) Janakalyan Sahakari Bank Ltd            | 1,001,000            |
| 5 (5) the Greater Bombay Co-op. Bank Ltd.                   | 25                   |
| 100 (100) Baramati Tollways Pvt. Ltd.                       | 1,000                |
| <u>In equity shares of Subsidiaries - Fully paid up</u>     |                      |
| 4,00,000 (4,00,000) Muktangan Developers Pvt. Ltd.          | 19,000,000           |
| 10,00,000 (10,00,000) Prime Infrapark Pvt. Ltd.             | 10,000,000           |
| 5,100 (5,100) Bhopal Sanchi Highways Pvt. Ltd.              | 51,000               |
| 10,000 (10,000) Pratibha Holdings (Singapore) Pte. Ltd      | 448,962              |
| Less: Diminution in value of investment in subsidiairy      | (29,000,000)         |
| <u>In Preference shares of Subsidiaries - Fully paid up</u> |                      |
| 2,45,365 (2,45,365) Pratibha Holdings (Singapore) Pte. Ltd  | 8,898,492            |
| <u>Investment in Associate Companies</u>                    |                      |
| Saudi Pratibha Industries LLC                               | 6,967,489            |
| Less: Provision for Investment Impairment                   | (6,967,489)          |
| Investment in Joint ventures                                | 4,846,090,047        |
| <b>Quoted</b>   |                      |
| Investment in Gold Coins                                    | 314,800              |
| <b>Total</b>  | <b>4,856,831,926</b> |

# **PRATIBHA INDUSTRIES LTD.**

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Head off: Unit No. 1/B-56 & 1/B-57, 1st Floor, Phoenix Paragon Plaza, Phoenix Market City, LBS Road, Kurla (W),  
Mumbai – 400070, Maharashtra, India.

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This certificate is issued for Finalization of Accounts as on 30th March, 2020

**For Pratibha Industries Limited**



**Mr. Anil Mehta**  
Liquidator

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

# PRATIBHA INDUSTRIES LTD.

Head off: Unit No. 1/B-56 & 1/B-57, 1st Floor, Phoenix Paragon Plaza, Phoenix Market City, LBS Road, Kurla (W),  
Mumbai – 400070, Maharashtra, India.

Ref Number March 19/06

To,  
Ramanand and Associates  
6/C, Ostwal Park Building No. 4 CHSL,  
Near Jesal Park Jain Temple,  
Bhayandar East, District Thane, Pin – 401105

Dear Sir,

## Sub: Certificate for Trade Payables

With reference to above we hereby certify that following are the balances of trade Payables of the company as at 31th March, 2020:

This certificate is issued for Finalization of Accounts as on 31th March, 2020.

| Particulars                             | Amount               |
|---|----------------------|
| GR/IR Services Payable                  | 1600000              |
| Vendors - Material                      | 460604031            |
| Vendor - Sub Contractor                 | 568767631            |
| Vendors - Expenses                      | 430559885            |
| Vendors - Imports Material              | 44999110             |
| Vendors - Individual / Proprieter Recon | 51158                |
| Vendors - Service                       | 174513195            |
| <b>Total</b>                            | <b>1,681,095,009</b> |

For Pratibha Industries Limited



**Mr. Anil Mehta**  
Liquidator

Place: Mumbai

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

# PRATIBHA INDUSTRIES LTD.

Head off: Unit No. 1/B-56 & 1/B-57, 1st Floor, Phoenix Paragon Plaza, Phoenix Market City, LBS Road, Kurla (W),  
Mumbai – 400070, Maharashtra, India.

Ref Number: March 19/07

To,  
Ramanand and Associates  
6/C, Ostwal Park Building No. 4 CHSL,  
Near Jesal Park Jain Temple,  
Bhayandar East, District Thane, Pin – 401105

Dear Sir,

## Sub: Certificate for Cash in Hand

With reference to above we hereby certify that following are the balances of Cash in Hand of the company as at 31th March, 2020:

| Particulars                      | Amount in Rs. |
|----------------------------------|---------------|
| Cash in Hand (As per annexure D) | 1,84,889      |

This certificate is issued for Finalization of Accounts as on 31th March, 2020

## For Pratibha Industries Limited



**Mr. Anil Mehta**  
Liquidator

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



# PRATIBHA INDUSTRIES LTD.

Head off: Unit No. 1/B-56 & 1/B-57, 1st Floor, Phoenix Paragon Plaza, Phoenix Market City, LBS Road, Kurla (W),  
Mumbai – 400070, Maharashtra, India.

Ref Number March 19/08

To,  
Ramanand and Associates  
6/C, Ostwal Park Building No. 4 CHSL,  
Near Jesal Park Jain Temple,  
Bhayandar East, District Thane, Pin – 401105

Dear Sir,

**Sub: Certificate for Bank Balance**

With reference to above we hereby certify that following are the Bank balances of the company as at 31th March, 2020:

| Particulars                      | Amount in Rs. |
|----------------------------------|---------------|
| Bank Balance (As per annexure E) | 23,83,39,551  |

This certificate is issued for Finalization of Accounts as on 31th March, 2020.

**For Pratibha Industries Limited**



**Mr. Anil Mehta**  
Liquidator

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

# PRATIBHA INDUSTRIES LTD.

Head off: Unit No. 1/B-56 & 1/B-57, 1st Floor, Phoenix Paragon Plaza, Phoenix Market City, LBS Road, Kurla (W),  
Mumbai – 400070, Maharashtra, India.

Ref Number. March 19/09  
To,  
Ramanand and Associates  
6/C, Ostwal Park Building No. 4 CHSL,  
Near Jesal Park Jain Temple,  
Bhayandar East, District Thane, Pin – 401105

Dear Sir,

## Sub: Term Deposit Confirmation certificate

We hereby certify that we have the following term deposits as on 31th March, 2020:

| GL      | Particulars                              | Amount                |
|---------|--|-----------------------|
| 8115000 | Bonds - Sardar Sarovar Narmada Nigam Ltd | 3,000,000.00          |
| 8259002 | F D - Bank of Baroda                     | 51,738,376.00         |
| 8259004 | F D – ICICI                              | 1,679,676.00          |
| 8259005 | F D - ICICI (Indore)                     | 25,000.00             |
| 8259006 | F D - Punjab National Bank               | 1,861,000.06          |
| 8259009 | F D State Bank of India                  | 25,000,000.00         |
| 8259023 | FDR Bank of India                        | 5,063,820.91          |
| 8259035 | FDR - Canara Bank                        | 26,498,323.00         |
| 8259040 | FDR - Axis Bank                          | 7,500,000.00          |
| 8259046 | FD - C.E.(P/B) O/o E-In-G PWD BHOPAL     | 1,000,000.00          |
| 8259051 | FDR - Laxmi Vilas Bank                   | 4,750,000.00          |
| 8259052 | Corpus Fund A/c                          | 10,000,000.00         |
| 8259058 | FDR - Bank of Baroda 29100300003631      | 20,000,000.00         |
| 8259059 | FDR - Bank of Baroda 29100300003632      | 20,000,000.00         |
| 8259060 | FDR - Bank of Baroda 29100300003633      | 20,000,000.00         |
| 8259061 | FDR - Bank of Baroda 29100300003634      | 50,000,000.00         |
| 8259062 | FDR - Bank of Baroda 29100300003635      | 50,000,000.00         |
| 8259063 | FDR - Bank of Baroda 29100300003636      | 50,000,000.00         |
| 8259064 | FDR - Bank of Baroda 29100300004526      | 10,000,000.00         |
| 8259065 | FDR - Bank of Baroda 29100300004527      | 10,000,000.00         |
| 8259066 | FDR - Bank of Baroda 29100300004528      | 10,000,000.00         |
|         | Total                                    | <b>378,116,195.97</b> |

| Current and Non Current bifurcation             |  |                     |
|---|--|---------------------|
| Particulars                                     |  | Amount in Rs.       |
| Term Deposits with maturity Less than 12 months |  | 35,04,04,583        |
| Term Deposits with maturity More than 12 months |  | 2,77,11,613         |
| <b>Total</b>                                    |  | <b>37,81,16,196</b> |

This certificate is issued for Finalization of Accounts as on 31th March, 2020

**For Pratibha Industries Limited**



**Mr. Anil Mehta**

Liquidator

Place: Mumbai

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

# PRATIBHA INDUSTRIES LTD.

Head off: Unit No. 1/B-56 & 1/B-57, 1st Floor, Phoenix Paragon Plaza, Phoenix Market City, LBS Road, Kurla (W),  
Mumbai – 400070, Maharashtra, India.

Ref Number March 19/10

To,  
Ramanand and Associates  
6/C, Ostwal Park Building No. 4 CHSL,  
Near Jesal Park Jain Temple,  
Bhayandar East, District Thane, Pin – 401105

Dear Sir,

**Sub: Certificates for Inventories**

We hereby certify that we had following inventories as on 31th March, 2020:

| Particulars            | Amount                |
|------------------------|-----------------------|
| Raw materials          | 34,46,929             |
| WIP - Work in Progress | 28,019,245            |
| WIP - Unmeasured Bill  | 28,240,000            |
| WIP - Claimed          | 3,105,952,509         |
| <b>Total</b>           | <b>3,16,56,58,683</b> |

(Detailed Stock Statement as per Annexure F)

This certificate is issued for Finalization of Accounts as on 31th March, 2020.

**For Pratibha Industries Limited**



**Mr. Anil Mehta**  
Liquidator

Place: Mumbai

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

**Annexure A: Sitewise details of Short term security deposit**

| <b>Account</b> | <b>Text for B/S P&amp;L item</b>                   | <b>31.03.2020</b>     |
|----------------|--|-----------------------|
| 8262010        | Deposit - TLD                                      | 26,17,746             |
| 8262011        | Security Deposit ( Customer )                      | 1,04,79,75,053        |
| 8262013        | Deposit - O & M                                    | 11,10,75,359          |
| 8262038        | Deposit - Held Amount                              | 1,06,35,77,086        |
| 8262090        | Deposit - Liquidated Damage                        | 12,08,69,657          |
| 8262001        | Deposit - Patel Pratibha Jv - Liquidated Damage    | 1,41,42,201           |
| 8262002        | Deposit- Patel Pratibha Jv Rd Repair Work Withheld | 1,00,000              |
| 8262003        | Deposit - Patel Pratibha Jv - Sluice Valve         | 37,64,565             |
| 8262053        | Deposit - KBL Bihar                                | 22,80,058             |
| 8262055        | Deposit - Ex Engg 18th Division IGNP Bikaner       | 8,914                 |
| 8262081        | Deposit - Addl Civil Work                          | 1,78,150              |
| 8262082        | Deposit - MCGM Scrutiny                            | 1,000                 |
| 8262083        | Deposit - Civil Work Item No. 25                   | 3,330                 |
| 8262087        | Deposit - Extra Item (AMC Ahmedabad)               | 21,99,075             |
| 8262088        | Deposit - Hold for Civil Work                      | 3,85,000              |
| 8262089        | Deposit - Item No. 8 PQC                           | 10,85,657             |
| 8262091        | Deposit - Misc Ambernath                           | 8,53,876              |
| 8262092        | Deposit - Pipe Damange (Amd Ahmd)                  | 5,17,229              |
| 8262093        | Deposit - Retained Clause 2                        | 3,45,093              |
| 8262094        | Deposit - ROB                                      | 4,000                 |
| 8262095        | Deposit - SP. Cond with Held                       | 39,16,795             |
| 8262096        | Deposit - Test Result Not Submitted                | 1,00,000              |
| 8262004        | EMD Bank of Baroda                                 | 16,55,00,000          |
| 8262005        | Other Deposits                                     | 500                   |
| 8262042        | Deposit - Restoration                              | 13,62,520             |
| 8262061        | Deposit - PWD National Highways                    | 34,91,064             |
| 8262062        | Deposit - Construction Cess                        | 20,00,000             |
| 8262063        | Deposit - Low Power Factor                         | 6,40,271              |
| 8262069        | Deposit - EMD - GMIDC Solapur                      | 30,00,000             |
| 8262126        | Deposit - Fine Pmc                                 | 2,000                 |
| 8262134        | Deposit - Uttarakhand State Indus Deve Corp Ltd    | 2,00,000              |
| 8262445        | Deposit - Provision for Bad Debts                  | (38,56,25,620.73)     |
| <b>Total</b>   |  | <b>2,16,65,70,578</b> |

**Annexure B: Sitewise details of Loans & Advances to related parties**

| <b>Account</b> | <b>Text for B/S P&amp;L item</b>                 | <b>31.03.2020</b>     |
|----------------|--|-----------------------|
| 8121004        | Pratibha Gin Kji Consortium-CAP                  | 3,20,153              |
| 8264001        | Elegant Infrastructure & Real Estate Pvt Ltd     | 64,495                |
| 8264008        | Pratibha Ostu Stettin Jv (Adv)                   | 780                   |
| 8264011        | Pratibha SMS JV (HUDA)                           | 17,98,874             |
| 8264019        | Pratibha AI Ambia JV(ONGC)                       | 5,680                 |
| 8264021        | Pratibha Rohit JV                                | 7,250                 |
| 8264022        | Pratibha CRFG JV                                 | 1,17,39,880           |
| 8264031        | Pratibha Mosinzhstroi Consortium(P-II) ADV       | 98,728                |
| 8264032        | Pratibha Mosinzhstroi Consortium(P-III) ADV      | 60,038                |
| 8264045        | ITD Pratibha Consortium (TDS Refund)             | 15,32,670             |
| 8264047        | KBL PIL Consortium - TDS Refund                  | 43,87,763             |
| 8264048        | MEIL SaiSudhir Pratibha JV Goa -TDS/WCT Refund   | 1,22,34,581           |
| 8264069        | Pratibha GIN KJI Consortiun                      | 56,619                |
| 8264070        | KBL PIL Consortium                               | 1,000                 |
| 8264075        | Pratibha Pipes & Structural Consortium (Advance) | 4,03,892              |
| 8264081        | GIL Pratibha JV - Adv                            | 34,000                |
| 8220012        | Customer Inter Company                           | 7,91,76,09,151        |
| 8261017        | Saudi Pratibha Industries Ltd.                   | 94,81,166             |
| 8261019        | Pratibha Industries (B) SDN BHD                  | 4,59,972              |
| 8263001        | Bhopal Sanchi Highways Private Limited           | 73,50,69,788          |
| 8264006        | Pratibha Infrastructure Pvt Ltd                  | 1,82,96,678           |
| 8264017        | PRIME INFRAPARK PVT LTD (ADVANCE)                | 94,73,43,957          |
| 8264030        | Pratibha Infralanka Pvt. Ltd.                    | 39,30,370             |
| 8264040        | Muktangan Developers Pvt. Ltd.                   | 12,48,69,050          |
| 8264041        | Pratibha Developers Pvt. Ltd.                    | 3,89,510              |
| 8264044        | Pratibha Holdings (Singapore) Pvt. Ltd - Advance | 23,10,650             |
| <b>Total</b>   |  | <b>9,79,25,06,693</b> |

| <b>Annexure C: Sitewise details of Security Deposit under Long Term loans and advances - Assets</b> |  |                   |
|---|--|-------------------|
| <b>Account</b>  | <b>Text for B/S P&amp;L item</b>             | <b>31.03.2020</b> |
| 8262031   | Deposit - Jodhpur Vidyut Vitran Nigam Ltd.   | 5,000             |
| 8262025   | Deposit - Water Charges                      | 6,09,603          |
| 8262026   | Deposit - Labour Contract                    | 13,500            |
| 8262033   | Security Deposite- TCS & Royalty             | 71,833            |
| 8262035   | Maharashtra Pollution Control Board          | 3,100             |
| 8262040   | Deposit - Labour Licence                     | 16,21,473         |
| 8262041   | Deposit - Bihar State Electricity Board      | 38,500            |
| 8262047   | Deposit - Electricity                        | 1,50,15,723       |
| 8262049   | Deposit - Aditya Birla Finance Limited       | 2,40,000          |
| 8262051   | Deposit - Asst Labour Commissioner (Central) | 4,82,600          |
| 8262064   | Deposit - House Rent                         | 94,84,187         |
| 8262065   | Deposit - POL                                | 69,51,236         |
| 8262067   | Deposit - Royalty                            | 1,12,85,322       |
| 8262068   | Deposit - Hold - EOT                         | 36,99,858         |
| 8262071   | Deposit - Telephone                          | 20,672            |
| 8262075   | Deposit - Division Forest                    | 1,05,466          |
| 8262084   | Deposit - Compliance of Instruction          | 6,50,000          |
| 8262085   | Deposit - Drg Approval for Electric Work     | 17,88,743         |
| 8262086   | Deposit - EIRL                               | 4,35,347          |
| 8262100   | Deposit - Child Aid Society                  | 50,000            |
| 8262102   | Deposit - LPG Gas                            | 2,02,994          |
| 8262103   | Deposit - House Rent - Delhi                 | 3,57,76,070       |
| 8262136   | Deposit / Held - GST                         | 3,39,85,984       |
| 8262200   | Deposit Given to Vendors                     | 32,88,965         |
| 8262446   | Other Deposit - Provision for Bad Debts      | (11,95,61,656)    |
| <b>Total</b>  |  | <b>62,64,519</b>  |

**Annexure D: Sitewise details of Cash in Hand**

| <b>Account</b> | <b>Text for B/S P&amp;L item</b>                   | <b>31.03.2020</b> |
|----------------|--|-------------------|
| 8230000        | Cash Book - Petty Cash                             | 28,583.72         |
| 8230047        | Cash Book -DELHI JAL BOARD ASHOK VIHAR P - IV DWAR | 145               |
| 8230090        | Cash Book - Delhi Regional Office                  | 20,133.29         |
| 8230097        | Cash Book - Phulera Water Supply PHED Jaipur       | 65,864.00         |
| 8230098        | Cash Book - Phagi Water Supply PHED Jaipur         | 0                 |
| 8230116        | Cash Book - Bharatpur                              | 241               |
| 8230120        | Cash Book - Banera Hurda                           | 69,922.00         |
| <b>Total</b>   |  | <b>1,84,889</b>   |

**Annexure E: Sitewise details of Bank Balance**

| <b>Account</b> | <b>Text for B/S P&amp;L item</b>                    | <b>31.03.2020</b> |
|----------------|---|-------------------|
| 8240020        | Bank of Baroda - 066902000000703 - Main             | 4,76,107          |
| 8240060        | Bank of Baroda - 06690200000518 - Main              | 1,66,721          |
| 8240062        | Bank of Baroda - 06690200000518 - Outgoing          | (1,10,625)        |
| 8240090        | Barclays Bank PLC - 000001983891 - Main             | -                 |
| 8240112        | DBS Bank Ltd - 811210051794 - Outgoing              | 23,05,558         |
| 8240130        | IDBI Bank Ltd - 6601201000372 MAIN                  | 79,999            |
| 8240150        | Jankalyan Sahakari Bank Ltd - 130 - Main            | -                 |
| 8240162        | Kotak Mahindra Bank - 09602100000216 - Outgoing     | 30,50,902         |
| 8240170        | The Lakshmi Vilas Bank Ltd 0177351000003057 Main    | 2,36,479          |
| 8240250        | DBS Bank A/c No: 811210057664                       | 39,442            |
| 8240270        | ICICI Bank Ltd (Chembur) Salary                     | (23,35,755)       |
| 8240310        | Standard Chartered Bank - CA 222-0-529359-6         | 82,244            |
| 8240350        | United Western Bank - Mulund CA1769                 | 18,044            |
| 8240360        | United Western Bank - Pune CA1005212010001281       | 23,685            |
| 8240510        | Standard Chartered Bank - CA 22205416280            | 9,188             |
| 8240520        | Standard Chartered Bank - CA 222-0-5333399-7 - Main | 810               |
| 8240590        | Corporation Bank- CBCA-164                          | 32,721            |
| 8240600        | Bank of Baroda - Chandavarkar-04060200001355        | 13,76,327         |
| 8240660        | Axis Bank Ltd CA 173010300003360 - Main             | 40,70,750         |
| 8240680        | Bank of India A/c No. 002020110000601 - Main        | -                 |
| 8240750        | BANK OF BARODA- CA NO 32970200000056- MAIN          | 10,142            |
| 8240850        | Bank of Baroda CA 06690200000830 Main               | 10,838            |
| 8240870        | Bank Of Baroda CA 06690200000779-Main               | 1,583             |
| 8240920        | Bank Of Baroda CA:-22190200000786-Main              | 1,593             |
| 8240950        | Bank Of Baroda CA:-20070200000503-Main              | 2,42,257          |
| 8240970        | Icici Bank Ltd :-100705000599-Main                  | 7,033             |
| 8240990        | ICICI Bank Ltd. A/c 024105002730-Main               | 75,857            |
| 8241000        | Bank Of Baroda:-04020200001171-Main                 | 1,01,057          |
| 8241010        | ICICI Bank Ltd. 024105002909-Main                   | 18,190            |
| 8241070        | Bank of Baroda CA- 10430200000863 Main              | 473               |
| 8241120        | ICICI BANK A/C NO. 643405050728 - Main              | 1,36,946          |
| 8241130        | Bank of Baroda 06690200000828 -Main                 | 12,346            |
| 8241150        | United Western Bank Ltd - 4529 - Main (blocked)     | 10,003            |
| 8241180        | Axis Bank FD Collection 912020041093021 Main        | 6,81,791          |
| 8241220        | Bank of Baroda 08570200000151-Main                  | 18,837            |
| 8241270        | Bank of Baroda A/c No: 30770200000256 -Main         | 22,171            |
| 8241280        | Bank Of baroda a/c no 36880200000080-Main           | 21,195            |
| 8241300        | Yes Bank Ltd 000184400001200-Main                   | 97,791            |
| 8241310        | PUNJAB NATIONAL BANK CA 0176002100254316-Main       | 1,20,259          |
| 8241320        | PUNJAB NATIONAL BANK -2432002105250958-Main         | 11,947            |
| 8241322        | PUNJAB NATIONAL BANK -2432002105250958-Outgoing     | (20,562)          |
| 8241340        | Bank Of Baroda:-C/A no.34140200000169-Main          | 79,983            |
| 8241370        | Bank of Baroda:-36880200000093-Main                 | 1,36,745          |
| 8241380        | Bank of Baroda:-36700200000009-Main                 | 58,163            |
| 8241381        | Bank of Baroda:-36700200000009-Incoming             | 11,975            |
| 8241382        | Bank of Baroda:-36700200000009-Outgoing             | (64,90,131)       |
| 8241410        | Axis Bank A/c 335010200006293 -Main                 | 4,655             |
| 8241430        | Indusind Bank C/a 0209-S30001-060-main200009780778  | 1                 |
| 8241440        | Punjab National Bank A/c :- 0057002100358906 -Main  | (48,880)          |
| 8241450        | Icici Bank Ltd:-082605000431-Main                   | 1,86,627          |
| 8241481        | State Bank of India A/c 30288242879-incoming        | 1,69,759          |
| 8241490        | State Bank of India CA 30158073486-Main             | -                 |
| 8241491        | State Bank of India CA 30158073486-Incoming         | 0                 |



**Annexure E: Sitewise details of Bank Balance**

| <b>Account</b> | <b>Text for B/S P&amp;L item</b>                   | <b>31.03.2020</b> |
|----------------|--|-------------------|
| 8241500        | ICICI Bank Ltd 082605000432 - Main                 | 38,283            |
| 8241580        | Axis Bank - Escrow A/c No. 912020011137245 - Main  | 4,07,221          |
| 8241610        | State Bank of B & J (Gurgoan) 61191125299 - Main   | 30,329            |
| 8241810        | Central Bank of India IFB 3261353435 - Main        | 69,228            |
| 8241812        | Central Bank of India IFB 3261353435 Outgoing      | (69,222)          |
| 8241830        | STATE BANK OF INDIA - GWIL 31926232850 - MAIN      | 2,277             |
| 8241840        | Yes Bank Ltd CA 005881400000073 - Main             | 8,744             |
| 8241930        | Axis Bank : FD Interest 912020041312694 - Main     | 26,18,239         |
| 8241990        | Kotak Mahindra Bk (Div) 4211207562 - Main          | 1,13,492          |
| 8242020        | YES Bank Ltd : 005881400000101 - Main              | 19,334            |
| 8242021        | YES Bank Ltd : 005881400000101 - Incoming          | 3,20,000          |
| 8242030        | Bank of Baroda : 36700200000113 - Main             | 28,813            |
| 8242040        | Bank of Baroda : 36700200000116 - Main             | 811               |
| 8242070        | STATE BANK OF TRAVANCORE 00000067262711225 M       | -                 |
| 8242110        | Bank of Baroda : 36700200000121 - Main             | (1,981)           |
| 8242120        | Axis Bank PIL FD Repay Warrant 913020037759248 - M | 17,28,166         |
| 8242170        | CANARA BANK - 2630201000194 - Main                 | 2,30,584          |
| 8242200        | STATE BANK OF TRAVANCORE 00000067263481404- Main   | -                 |
| 8242210        | STATE BANK OF HYDERABAD 62337461822 - Main         | 2,64,849          |
| 8242250        | AXIS BANK LTD - 913020052492836 main               | 53,51,513         |
| 8242252        | AXIS BANK LTD - 913020052492836 Outgoing           | (3,42,688)        |
| 8245000        | Bank of Baroda CA (DRO) 3013020000282              | 9,382             |
| 8245010        | Punjab National Bank CA (DRO) 4964 - Main          | 17,771            |
| 8245020        | Punjab National Bank CA (DRO) 936537 - Main        | 18,111            |
| 8245040        | BANK OF BARODA 06690200000824 - Main               | 10,927            |
| 8245100        | Bank of Baroda 06690200000729 - Main               | 3,26,59,450       |
| 8245101        | Bank of Baroda 06690200000729 - Incoming           | 1,29,719          |
| 8245102        | Bank of Baroda 06690200000729 - Outgoing           | (2,19,01,976)     |
| 8245140        | Kotak Mahindra Bank - 4211150387 - main            | 9,640             |
| 8245150        | SCB - 22205413931 - Main                           | 2,377             |
| 8245160        | ING Vysya Bank Ltd A/C No: 500011042368 - Main     | 1,01,397          |
| 8245170        | The Lakshmi Vilas Bank Ltd : 20736000000014 main   | 1,00,910          |
| 8245172        | The Lakshmi Vilas Bank Ltd : 20736000000014 Outgo  | (11,66,215)       |
| 8245200        | Bank of Baroda - 25130200000196 - Main             | 1,68,500          |
| 8245250        | Allahabad Bank - 0050138695936 Main                | 5,736             |
| 8245280        | Allahabad bank - : 50184753337 Main                | 4,717             |
| 8245340        | ICICI Bank A/c no. 024605006474 - Main             | 14,358            |
| 8245380        | Union Bank 495801010040792 - Main                  | -                 |
| 8245390        | Bank of Baroda 08940200001162 - Main               | 68,290            |
| 8245450        | Axis Bank Divident A/c. 915020045826545 M          | 68,105            |
| 8245480        | ICICI Bank Ltd UNPDDIV 12-13 001105024100 Main     | 1,54,215          |
| 8245540        | Axis Bank Ltd - PIL site disburs 914020014948387 M | 14,69,316         |
| 8245550        | Bhartiya Mahila Bank 111400002908 Main             | 1,55,124          |
| 8245552        | Bhartiya Mahila Bank 111400002908 Outgoing         | (1,50,825)        |
| 8245560        | Axis Bank Ltd - PIL Dep Repay Res 914020014786994M | 49,805            |
| 8245940        | Yes Bank 0001 844 0000 7919 Main - Divident 13-14  | 65,582            |
| 8246030        | Punjab National Bank 3766002100027268 Main         | 7,58,93,023       |
| 8246031        | Punjab National Bank 3766002100027268 Incoming     | 1,62,813          |
| 8246032        | Punjab National Bank 3766002100027268 Outgoing     | (1,62,872)        |
| 8246040        | Bank of Baroda - 04930200000643 Main               | 1,53,553          |
| 8246050        | Axis Bank Escrow - 916020014418459 Main            | 94,81,683         |
| 8246080        | HDFC Escrow 50200018973229 Main                    | 1,070             |
| 8246090        | Union Bank of India Escrow - 527601010033676 Main  | 75,15,545         |

**Annexure E: Sitewise details of Bank Balance**

| <b>Account</b> | <b>Text for B/S P&amp;L item</b>                  | <b>31.03.2020</b>   |
|----------------|---|---------------------|
| 8246092        | Union Bank of India Escrow - 527601010033676 Out  | 26,06,935           |
| 8246120        | ICICI Bank 623905034422 Main                      | 14,97,387           |
| 8246122        | ICICI Bank 623905034422 Outgoing                  | (21,43,675)         |
| 8246140        | ANDHRA BANK 121411100003776 Main                  | 7,540               |
| 8246151        | CANARA BANK 209272434 Incoming                    | 1,40,57,226         |
| 8246152        | CANARA BANK 209272434 Outgoing                    | (3,68,17,637)       |
| 8246161        | ICICI BANK ESCROW 662805600260 Incoming           | 1,79,66,639         |
| 8246162        | ICICI BANK ESCROW 662805600260 Outgoing           | (1,79,66,639)       |
| 8246171        | Bank of Baroda – No. 29100013201004 - Incoming    | 5,29,18,333         |
| 8246172        | Bank of Baroda – No. 29100013201004 - Out going   | (1,03,38,000)       |
| 8246180        | HDFC BANK ESCROW 50200028556837 Main              | 77,11,552           |
| 8246200        | Bank of Baroda 29100200000343 - Main              | 8,48,15,788         |
| 8246201        | Bank of Baroda 29100200000343 - Incoming          | -                   |
| 8246202        | Bank of Baroda 29100200000343 - Outgoing          | (68,777)            |
| 8261000        | Clearing account for contra entries               | 5,270               |
| 7211130        | State Bank of India A/c 30215264945-Main          | 29,46,628           |
| 7221050        | Yes Bank Ltd. CC 000181300002088 Main.NMMC JNNURM | 520                 |
|                | <b>Total</b>                                      | <b>23,83,39,551</b> |

## Annexure : Inventories

| Account | Text for B/S P&L item                            | 31.03.2020  |
|---------|--|-------------|
| 8211550 | G I Pipes & Fittings - Closing Stock             | 1,548.00    |
| 8211551 | D I Pipes & Fittings - Closing Stock             | 7,06,526.83 |
| 8211552 | CI Pipes & Fittings - Closing Stock              | 4,73,868.20 |
| 8211553 | MS Pipes & Fittings - Closing Stock              | 2,06,718.92 |
| 8211554 | PVC Pipes & Fittings - Closing Stock             | 840         |
| 8211555 | RCC Pipes & Fittings - Closing Stock             | 0           |
| 8211556 | HDPE Pipes & Fittings - Closing Stock            | 4,51,699.63 |
| 8211558 | Sluice valves - Closing Stock                    | 0           |
| 8211564 | Expansion Joints - Closing Stock                 | 2,00,000.00 |
| 8211565 | Dismantalling Joints - Closing Stock             | 0           |
| 8211567 | Nuts & Bolts Pipes - Closing Stock               | 2,05,613.04 |
| 8211568 | Other Fittings - Closing Stock                   | 3,10,471.91 |
| 8211569 | Rubber Sheets/Gaskets - Closing Stock            | 14,604.67   |
| 8211570 | Pipe Coating materials - Closing Stock           | 43,941.57   |
| 8211571 | Screen - Closing Stock                           | 0           |
| 8211600 | Plant & Machinery Spares - Closing Stock         | 0           |
| 8211601 | Plant & Machinery Hydrocarban - Closing Stock    | 0           |
| 8211602 | Plant & Machinery Tyre & Tubes - Closing Stock   | 0           |
| 8211650 | Software - Closing Stock                         | 0           |
| 8211651 | Hardware - Closing Stock                         | 0           |
| 8211800 | Furniture/Fixture - Closing Stock                | 0           |
| 8211801 | Lab.Equipment - Closing Stock                    | 0           |
| 8211802 | Minor Equipment - Closing Stock                  | 0           |
| 8211101 | Plates - Closing Stock                           | 58,231.80   |
| 8211102 | Angle - Closing Stock                            | 0           |
| 8211103 | Channel - Closing Stock                          | 0           |
| 8211104 | Bars - Closing Stock                             | 0           |
| 8211105 | Beam - Closing Stock                             | 0           |
| 8211106 | Flats - Closing Stock                            | 42,727.80   |
| 8211109 | Consumables - Closing Stock                      | 0           |
| 8211110 | Closing Stock FI                                 | 0           |
| 8211150 | Cement - Closing Stock                           | 0           |
| 8211153 | Aggregates - Closing Stock                       | 0           |
| 8211154 | Sand - Closing Stock                             | 0           |
| 8211155 | Bricks - Closing Stock                           | 0           |
| 8211156 | Blocks - Closing Stock                           | 0           |
| 8211157 | Admixture - Closing Stock                        | 0           |
| 8211158 | Water Proofing - Closing Stock                   | 0           |
| 8211163 | Grit Powder - Closing Stock                      | 0           |
| 8211165 | Flooring - Closing Stock                         | 0           |
| 8211166 | Reinforcement Steel - Closing Stock              | 0           |
| 8211167 | Door & Window - Closing Stock                    | 0           |
| 8211168 | Fixtures - Closing Stock                         | 0           |
| 8211169 | Finishing Items - Closing Stock                  | 0           |
| 8211170 | Glass/Facade - Closing Stock                     | 0           |
| 8211171 | Plumbing/Sanitary - Closing Stock                | 0           |
| 8211173 | Consumable - Closing Stock                       | 2,43,397.00 |
| 8211174 | Chemicals - Closing Stock                        | 1,80,002.00 |
| 8211175 | Water - Closing Stock                            | 0           |
| 8211176 | Nails - Closing Stock                            | 0           |
| 8211177 | Binding Wires - Closing Stock                    | 0           |
| 8211178 | Paints - Closing Stock                           | 0           |
| 8211179 | Fencing Material - Closing Stock                 | 0           |
| 8211180 | RMC Boughtout - Closing Stock                    | 0           |
| 8211200 | Electrical Cables - Closing Stock                | 1,34,874.72 |
| 8211201 | Switchgears - Closing Stock                      | 0           |
| 8211202 | Electrical Fittings & Appliances - Closing Stock | 0           |
| 8211203 | Motors & Pumps - Closing Stock                   | 0           |

|         |  |                   |
|---------|--|-------------------|
| 8211250 | Grinding Wheel - Closing Stock                 | 0                 |
| 8211251 | Cutting Wheel - Closing Stock                  | 0                 |
| 8211252 | Tool Parts - Closing Stock                     | 0                 |
| 8211253 | Belts, Chains, Slings - Closing Stock          | 0                 |
| 8211254 | "Fasteners , Bolts - Closing Stock"            | 13,291.12         |
| 8211255 | Tools & Tackles - Closing Stock                | 56,741.00         |
| 8211256 | Hardware Consumables - Closing Stock           | 83,533.96         |
| 8211300 | Diesel - Closing Stock                         | 0                 |
| 8211301 | Petrol - Closing Stock                         | 1,628.10          |
| 8211307 | P.O.L.D Consumables - Closing Stock            | 0                 |
| 8211350 | Personal Protection Equipments - Closing Stock | 7,860.00          |
| 8211351 | Fire Extinguishers - Closing Stock             | 2,244.00          |
| 8211352 | Nets - Closing Stock                           | 0                 |
| 8211353 | Barracading - Closing Stock                    | 3,591.00          |
| 8211354 | Consumables - Closing Stock                    | 0                 |
| 8211400 | Plywood - Closing Stock                        | 0                 |
| 8211401 | Timber - Closing Stock                         | 0                 |
| 8211402 | Consumables - Closing Stock                    | 1,448.00          |
| 8211451 | Cutting Accessories - Closing Stock            | 0                 |
| 8211452 | Welding Accessories - Closing Stock            | 0                 |
| 8211454 | Consumables - Closing Stock                    | 0                 |
| 8211500 | Stationeries - Closing Stock                   | 1,525.42          |
| 8211501 | Mobiles - Closing Stock                        | 0                 |
| 8211503 | Uniform - Closing Stock                        | 0                 |
| 8211504 | House Keeping material - Closing Stock         | 0                 |
| 8211505 | Medicine - Closing Stock                       | 0                 |
| 8212000 | WIP - Work in Progress                         | 2,80,19,245.00    |
| 8213000 | WIP - Unmeasured Bill                          | 2,82,40,000.00    |
| 8217001 | WIP - Claimed                                  | 3,10,59,52,509.29 |

| Particulars            | Amount                |
|------------------------|-----------------------|
| Raw materials          | 34,46,929             |
| WIP - Work in Progress | 2,80,19,245           |
| WIP - Unmeasured Bill  | 2,82,40,000           |
| WIP - Claimed          | 3,10,59,52,509        |
| <b>Total</b>           | <b>3,16,56,58,683</b> |

**Annexure : Vendors**

| <b>Account</b> | <b>Text for B/S P&amp;L item</b>        | <b>31.03.2020</b>     |
|----------------|---|-----------------------|
| 7330000        | GR/IR Material Payable                  | 0                     |
| 7330001        | GR/IR Services Payable                  | 1600000               |
| 7350000        | Vendors - Material                      | 460604031             |
| 7350002        | Vendor - Sub Contractor                 | 568767631             |
| 7350003        | Vendors - Expenses                      | 430559885             |
| 7350009        | Vendors - Imports Material              | 44999110              |
| 7350012        | Vendors - Individual / Proprieter Recon | 51158                 |
| 7350013        | Vendors - Service                       | 174513195             |
|                | <b>Total</b>                            | <b>1,68,10,95,009</b> |

**Annexure : Term deposits**

| <b>Account</b> | <b>Text for B/S P&amp;L item</b>         | <b>31.03.2020</b>      |
|----------------|--|------------------------|
| 8115000        | Bonds - Sardar Sarovar Narmada Nigam Ltd | 30,00,000.00           |
| 8259002        | F D - Bank of Baroda                     | 5,17,38,376.00         |
| 8259004        | F D - ICICI                              | 16,79,676.00           |
| 8259005        | F D - ICICI (Indore)                     | 25,000.00              |
| 8259006        | F D - Punjab National Bank               | 18,61,000.06           |
| 8259009        | F D State Bank of India                  | 2,50,00,000.00         |
| 8259023        | FDR Bank of India                        | 50,63,820.91           |
| 8259035        | FDR - Canara Bank                        | 2,64,98,323.00         |
| 8259040        | FDR - Axis Bank                          | 75,00,000.00           |
| 8259046        | FD - C.E.(P/B) O/o E-In-C PWD BHOPAL     | 10,00,000.00           |
| 8259051        | FDR - Laxmi Vilas Bank                   | 47,50,000.00           |
| 8259052        | Corpus Fund A/c                          | 1,00,00,000.00         |
| 8259058        | FDR - Bank of Baroda 29100300003631      | 2,00,00,000.00         |
| 8259059        | FDR - Bank of Baroda 29100300003632      | 2,00,00,000.00         |
| 8259060        | FDR - Bank of Baroda 29100300003633      | 2,00,00,000.00         |
| 8259061        | FDR - Bank of Baroda 29100300003634      | 5,00,00,000.00         |
| 8259062        | FDR - Bank of Baroda 29100300003635      | 5,00,00,000.00         |
| 8259063        | FDR - Bank of Baroda 29100300003636      | 5,00,00,000.00         |
| 8259064        | FDR - Bank of Baroda 29100300004526      | 1,00,00,000.00         |
| 8259065        | FDR - Bank of Baroda 29100300004527      | 1,00,00,000.00         |
| 8259066        | FDR - Bank of Baroda 29100300004528      | 1,00,00,000.00         |
|                | Total                                    | <b>37,81,16,195.97</b> |

| <b>3 Investments</b>  |                       |
|---|-----------------------|
| <b>Unquoted</b>   |                       |
| <u>In equity shares - Fully paid up</u>                     |                       |
| 2,660 (2660) Abhyudaya Co Op. Bank Ltd                      | 26,600                |
| 1,00,100 (1,00,100) Janakalyan Sahakari Bank Ltd            | 10,01,000             |
| 5 (5) the Greater Bombay Co-op. Bank Ltd.                   | 25                    |
| 100 (100) Baramati Tollways Pvt. Ltd.                       | 1,000                 |
| <u>In equity shares of Subsidiaries - Fully paid up</u>     |                       |
| 4,00,000 (4,00,000) Mukhtangan Developers Pvt. Ltd.         | 1,90,00,000           |
| 10,00,000 (10,00,000) Prime Infrapark Pvt. Ltd.             | 1,00,00,000           |
| 5,100 (5,100) Bhopal Sanchi Highways Pvt. Ltd.              | 51,000                |
| 10,000 (10,000) Pratibha Holdings (Singapore) Pte. Ltd      | 4,48,962              |
| Less: Diminution in value of investment in subsidairy       | (2,90,00,000)         |
| <u>In Preference shares of Subsidiaries - Fully paid up</u> |                       |
| 2,45,365 (2,45,365) Pratibha Holdings (Singapore) Pte. Ltd  | 88,98,492             |
| <u>Investment in Associate Companies</u>                    |                       |
| Saudi Pratibha Industries LLC                               | 69,67,489             |
| Less: Provision for Investment Impairment                   | (69,67,489)           |
| Investment in Joint ventures                                | 4,84,60,90,047        |
| <b>Quoted</b>   |                       |
| Investment in Gold Coins                                    | 3,14,800              |
| <b>Total</b>  | <b>4,85,68,31,926</b> |

# PRATIBHA INDUSTRIES LTD.

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Head off: Unit No.1/B-56 & 1/B-57,1<sup>st</sup> Floor, Phoenix Paragon Plaza, Phoenix Market City, LBS Road, Kurla (W), Mumbai-400070, Maharashtra, India.

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26<sup>th</sup> March,2020

To,  
Ramanand and Associates  
6/C, Ostwal Park Building No. 4 CHSL,  
Near Jesal Park Jain Temple,  
Bhayandar East, District Thane, Pin – 401105

Dear Sir,

**Re: Statutory Audit of accounts for the year ended March 31, 2020**

This representation letter is provided in connection with your audit of the Standalone & Consolidated financial statement of Pratibha Industries Limited for the year ended March 31, 2020 for the purpose of expressing assurance that nothing has come to your notice that causes you to believe that the Financial statements prepared in accordance with IND AS contains any material misstatement.

We acknowledge our responsibility for the fair presentation of the Standalone & Consolidated Financial statements in accordance with IND AS and other recognised accounting practices and policies generally accepted in India.

These financial statements have been prepared in accordance with IND AS Accounting Standards notified u/s 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2014. All assets and liabilities have been classified as current or non-current as per the Company's normal operating life cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

We acknowledge the existence of unadjusted review differences, summarized in the accompanying schedule, accumulated by you during the current review and pertaining to the latest period presented are immaterial, both individually and in aggregate, to the Annual financial statements taken as a whole.

The 'Corporate Insolvency Resolution Process' ("CIRP") had been initiated in respect of the 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 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 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 company. Vide the said order, Mr. Anil Mehta has been appointed as the Liquidator to carry out the liquidation process of the 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 company. Further, as per Section 34 (2) of the IBC, all powers of the board of directors and key managerial personnel of the company cease to have effect and stand vested in the Liquidator.

The Liquidator has been managing the business and affairs of the 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 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 standalone financial statements for FY 2019-20 have been prepared based on the information/ documents provided by the personnel of the company and the Liquidator is not in a position to independently verify the authenticity or veracity of such information/ documents.



# PRATIBHA INDUSTRIES LTD.

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“LIQUIDATOR DISCLAIMER FOR THE PRATIBHA INDUSTRIES LIMITED ANNUAL REPORT FOR FY 2020 AND STANDALONE AND CONSOLIDATED RESULTS FOR FY 19-2020”.

The standalone financial statements for FY 2019-20 were sent to the erstwhile directors of the company who have not signed the same. In view of the refusal of the erstwhile directors of the company to sign the financial statements and based on representations by the personnel of the 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.

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

## 1.0 ACCOUNTING POLICIES:

- 1.01 The accounting policies are in accordance with the accounting standards and other recognised accounting practices and policies generally accepted in India.
- 1.02 For all periods up to and including the year ended 31 March 2020, the Company prepared its financial statements in accordance with requirements of the Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2017. The Annual financial statements are prepared on accrual basis.
- 1.03 We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- 1.04 Uniform accounting policies have been followed by all group entities as far as possible unless it is impracticable. In case of different policies being followed, the same will be specifically intimated.

## 2.0 COMPLIANCE WITH LAWS AND REGULATIONS

- 2.01 We are not aware of any actual or suspected non-compliance with laws and regulations which can have a material impact in the preparation of the financial statements.
- 2.02 We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements, and there have been no communications from regulatory agencies or government representatives concerning investigations or allegations of non-compliance or deficiencies in financial reporting practices.
- 2.03 To the best of our knowledge and belief, the Company has not made any improper payments or payments which are illegal or against any regulations.
- 2.04 The Company has complied with all aspects of contractual agreements which could have a material effect on the Annual financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the Annual financial statements in the event of non-compliance.

# PRATIBHA INDUSTRIES LTD.

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- 2.05 We acknowledge our responsibility for the implementation and operations of accounting and internal control systems that are designed to prevent and detect fraud and error.
- 2.06 We have no knowledge of any fraud or suspected fraud involving management or other employees who have a significant role in the Company's internal controls over financial reporting. In addition, we have no knowledge of any fraud or suspected fraud involving other employees in which the fraud could have a material effect on the financial statements. We have no knowledge of any allegations of financial improprieties, including fraud or suspected fraud, (regardless of the source or form and including without limitation, any allegations by "whistle-blowers") which could result in a misstatement of the Annual financial statements or otherwise affect the financial reporting of the Company.
- 2.07 We have no knowledge of the occurrence of any non-compliance with laws and regulations which may have material effect on the annual financial statement or which warrants disclosure in the annual financial statements.
- 2.08 We acknowledge that we are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

### **3.0 INTERNAL FINANCIAL CONTROL STRUCTURE:**

- 3.01 There have been no irregularities, such as thefts, frauds, or defalcations, involving management or employees who have significant roles in the internal control structure.
- 3.02 There are no material transactions that have not been properly recorded in the accounting records underlying the financial results.
- 3.03 There is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. There is no failure to correct any major weakness in internal control system.

### **4.0 FAIR VALUE MEASUREMENT:**

- 4.01 The Company measures financial instruments at fair value at each balance sheet date in all material aspects as per the requirements of relevant IND AS.
- 4.02 The Company has fair valued all financial instruments which are long term in nature and where fair valuation is material. Due care has been taken to accurately fair value assets and liabilities.
- 4.03 The Company has categorised financial assets into amortized cost, fair value through OCI and fair value through P&L and financial liabilities fair value through OCI and fair value through P&L based on the business model.
- 4.04 In estimating the fair value of an asset or a liability, the 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: Inventories or value in use in Ind AS 36: Impairment of Assets.

# PRATIBHA INDUSTRIES LTD.

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## **5.0 REGISTERS, MINUTES AND CONTRACTS:**

- 5.01 The Minutes of the meetings of the Shareholders and Directors and the Registers required to be maintained under the Companies Act are complete and authentic.
- 5.02 All matters required to be recorded in the registers and minute books of the Company have been, and are, recorded correctly.
- 5.03 We have complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of non-compliance.

## **6.0 OWNERSHIP AND PLEDGING OF ASSETS:**

- 6.01 The Company has satisfactory title to all assets appearing in the balance sheet.
- 6.02 No security agreements have been executed and there are no liens or encumbrances on assets nor has any asset been pledged, mortgaged or hypothecated, except as disclosed in the audited financial statements.

## **7.0 RELATED PARTY TRANSACTIONS:**

- 7.01 Transaction with the related parties and related amounts receivable or payable, including sales, purchase, loans, transfers, Inter-Company Deposits, and guarantees, have been properly recorded and disclosed to you.
- 7.02 The Company has obtained necessary approvals from the Board and Audit Committee in respect of all transactions or contract or arrangement with related parties, in accordance with relevant provisions of the Companies Act, 2013, wherever applicable. Transactions with related parties are at Arm's length.

## **8.0 SEGMENT REPORTING**

- 8.01 The company is operating in single segment i.e. Engineering, Procurement and Construction (EPC). Hence the management does not do any segment reporting. Thus as per IND AS 108, segment reporting is not required.

## **9.0 CONFLICTS OF INTERESTS:**

- 9.01 There are no instances where any officer or employee of the company has an interest in a company with which the company does business that would be a "conflict of interest." Even where the interest exists, the transactions have been made at prices which are reasonable having regard to the prevailing market prices and are not prejudicial to the interest of the Company.

## **10.0 PROPERTY, PLANTS & EQUIPMENTS AND INTANGIBLE ASSETS:**

- 10.01 The additions during the period are recorded at cost and include all capital expenditure to fixed assets, but do not include expenditure properly chargeable to revenue. The capitalization during the period is in accordance with IND AS-16 and IND AS-38. No material amounts representing additions or improvements of a capital nature are charged to expense accounts.
- 10.02 Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognises the replaced part, and recognises the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a

# **PRATIBHA INDUSTRIES LTD.**

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major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

- 10.03 Depreciation is provided based on useful life of the assets and based on method as prescribed in Schedule II to the Companies Act, 2013 except in respect of Construction Equipment category. For Construction Equipment category, estimated useful life of assets is taken different from the useful life indicated in Schedule II to the Companies Act, 2013, it is based on technical advice and after taking into account the nature of the assets, their estimated usage, and their operating conditions, past history of replacement, anticipated technological changes, manufacturer's warranties and maintenance support. Property, plant and equipment, which are added / disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.
- 10.04 Intangible assets like software are amortized over a period of five years on a straight-line basis.
- 10.05 The Company has used the following useful lives to provide depreciation on its fixed assets:

# PRATIBHA INDUSTRIES LTD.

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| Particulars  | Useful Lives of the Assets estimated by the management |
|--|--|
| Building   | 30   |
| Office Premises                                    | 60   |
| Computer & Printer                                 | 3  |
| Computer Software                                  | 5  |
| Electric Installation                              | 10   |
| Furniture & Fixture                                | 10   |
| Office Equipment                                   | 5  |
| Plant & Machinery – Construction Equipment         | 20   |
| Plant & Machinery – Earth Moving Equipment         | 9  |
| Plant & Machinery – Others                         | 15   |
| Vehicles - Motor buses, motor lorries, motor cars  | 8  |
| Vehicles - Motor cycles, scooters and other mopeds | 10   |

In case of Construction Equipment, the Company has estimated, supported by independent assessment of professionals, the useful lives of the assets.

- 10.06 The net book value represents all the fixed assets owned by the Company wherever situated.
- 10.07 The Company did not carried out physical verification of its assets located at project sites during the FY 2019-20.
- 10.08 In opinion of the management, based on internal verification of the assets of the company, there is no major part, in case of any asset, which is significant to total cost of the asset and 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 component accounting.

## 11.0 INVESTMENTS:

- 11.01 All the investments recorded in annual financial statement belong to the Company and do not include any investment held on behalf of any other person.
- 11.02 The Company has a clear title to all its investments.
- 11.03 Long term investments have been carried in the financial statements, which are recorded at cost. All this investments have been shown at their respective fair value.
- 11.04 We represent that though Pratibha Holding (Singapore) Pte Ltd, a wholly owned subsidiary of PIL, have incurred losses and their net-worth are fully eroded but the investments are considered at cost and there is no requirement for the provision of permanent diminution as in our opinion as per our estimates, these losses will be recovered in coming years.
- 11.05 Prime Infrapark Private Limited and Muktangan Developers Pvt. Ltd., being wholly owned subsidiaries, have incurred losses and their net-worth has been fully eroded. Considering the same, the company has made provision for the impairment in the value of investments in such subsidiaries during the last FY 2018-19 itself and no more scope is left out further in investments values.
- 11.06 Saudi Pratibha Industries LLC, being an associate company, has no estimated future operations in future, as per the management. Considering the same, the company has

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made provision for the impairment in the value of investments in such associate during the last FY 2018-19 itself and no more scope is left out further in investment value.

## 12.0 INVENTORIES:

- 12.01 The Company is maintaining proper records of inventory.
- 12.02 All goods included in the inventory are the property of the Company and are not subject to any charge, except as disclosed in the audited financial statements, and none of the goods are held as consignee for others or as Bailee.
- 12.03 All inventories owned by the Company, wherever located, have been recorded. No goods are sent on consignment as well as no inventory is lying with third party as on date of financial statement.
- 12.04 Spares of Assets included in Inventories do not meet the definition of PPE given in IND AS 16. Hence they are continue to be shown under inventory and not capitalised.
- 12.05 We represent that the projected realizable value from the sale proceeds of the respective projects will exceed the projected construction cost and the present carrying value of inventory.
- 12.06 No item of inventory has a net realisable value in the ordinary course of business which is less than the amount at which it is included in inventories.
- 12.07 Construction material (excluding scaffoldings), raw materials, components, stores and spares are valued at lower of cost and net realizable value. However material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on weighted average method.
- 12.08 Construction work-in-progress consists of direct construction cost and indirect construction cost to the extent to which the expenditure is related to the construction or incidental thereto. Construction work-in-progress represents the work which hasn't reached the stage of completion where the Company can bill this work to its customers and hence considered as Inventory.
- 12.09 Construction work-in-progress also includes the claims and escalations which represents incomplete work and is not realisable from customers as at reporting date.
- 12.10 We represent that certain claims and escalations lying in the Work in progress are tenable and are as per the contract terms. Management has made estimates for these claims. These claims are at various stages of submission and the same would be billed to the customer and received in full in due course.
- 12.11 We represent that certain claims lying in the Work in Progress are at various stages of arbitration. Some are submitted to courts having jurisdiction. Management has made reasonable estimates of realisable amount based on advice from its legal team. These amounts will be recovered as per the court judgement.

## 13.0 OTHER CURRENT ASSETS, LOANS AND ADVANCES:

- 13.01 Adequate provision has been made for allowances, losses, returns, discounts, costs, and expenses that may be incurred subsequent to the date of financial statement.

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- 13.02 The Company has granted loans to companies, firms or other parties covered in the register maintained under section 189 of the Act:

| GL           | Name of the Party                                | Amount (in Rs.)      |
|--------------|--|----------------------|
| 8264001      | Elegant Infrastructure & Real Estate Pvt Ltd     | 64,495               |
| 8261017      | Saudi Pratibha Industries Ltd.                   | 9,481,166            |
| 8261019      | Pratibha Industries (B) SDN BHD                  | 459,972              |
| 8263001      | Bhopal Sanchi Highways Private Limited           | 735,069,788          |
| 8264006      | Pratibha Infrastructure Pvt Ltd                  | 18,296,678           |
| 8264017      | Prime Infrapark Pvt Ltd (Advance)                | 947,343,957          |
| 8264030      | Pratibha Infralanka Pvt. Ltd.                    | 3,930,370            |
| 8264040      | Muktangan Developers Pvt. Ltd.                   | 124,869,050          |
| 8264041      | Pratibha Developers Pvt. Ltd.                    | 389,510              |
| 8264044      | Pratibha Holdings (Singapore) Pvt. Ltd – Advance | 2,310,650            |
| <b>Total</b> |  | <b>1,842,215,635</b> |

- 13.03 The company granted loan to the following subsidiary companies in non-compliance of section 186(2), as the company's net worth has been fully eroded:

| GL           | Name of Party   | Amount (in Rs.)      |
|--------------|---|----------------------|
| 8263001      | Bhopal Sanchi Highways Private Limited                | 735,069,788          |
| 8264017      | Prime Infrapark Pvt Ltd (Advance)                     | 947,343,957          |
| 8264030      | Pratibha Infralanka Pvt. Ltd. <i>(Sub-Subsidiary)</i> | 3,930,370            |
| 8264040      | Muktangan Developers Pvt. Ltd.                        | 124,869,050          |
| 8264044      | Pratibha Holdings (Singapore) Pvt. Ltd - Advance      | 2,310,650            |
| <b>Total</b> |   | <b>1,813,523,815</b> |

- 13.04 The Current Assets, Loans and advances and Trade Receivables have a value on realisation in the ordinary course of business at least equal to the amounts at which they are stated in the books. Based on the management's assessment, judgements and estimation, the company has provided for the Impairment / Expected Credit Loss on the Financial Assets.

- 13.05 The Company has given ICDs to following parties.

| G/L     | Name                                       | Amount      |
|---------|--|-------------|
| 8264035 | Amit Capital & Securities P. Ltd.          | 2,76,13,409 |
| 8261015 | Pratibha Pipes & Structural Limited        | 12,86,306   |
| 8264037 | Pratibhuti Holdings P. Ltd                 | 61,98,356   |
| 8264038 | Wadhwa Residency Private Ltd               | 2,48,34,589 |
| 8264039 | Anand Rathi Capital Advisors Pvt Ltd – ICD | 84,24,716   |
| 8264054 | Shiva Petro-Synth Specialities Ltd         | 28,00,000   |
| 8264055 | Sai Om Petro Specialities Ltd              | 84,00,000   |
| 8264057 | Sunshine Housing Development P. Ltd        | 1,37,00,000 |
| 8264059 | Tower Corporate Financial Services         | 2,05,50,000 |
| 8264060 | Ankit Tandon                               | 34,37,500   |

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|                     |                                 |                     |
|---------------------|---------------------------------|---------------------|
| 8264061             | Amit Petrolubes P. Ltd          | 34,25,000           |
| 8264002             | Niraj Cement Structural Pvt Ltd | 11,54,525           |
| <b>Total Amount</b> |                                 | <b>12,16,24,401</b> |

The Company is in the process to recall the said ICDs and hence the same are shown as current.

- 13.06 Company has retention with customers of Rs.2,55,21,96,199 /- as on March 31, 2020 has been classified as Retention & Security Deposits under Short Term Loans & Advances. The Company has provided for the Expected Credit Loss on Retention & Security Deposits, considered doubtful by the management, to the tune of Rs. 38,56,25,621/-
- 13.07 We represent that all the retention money will be encashed from the customers by issuing the Bank Guarantee therefore the same is grouped as current.
- 13.08 Balances with Government authorities which are either not adjustable against corresponding liability or Tax Refund which are not confirmed by appropriate tax authorities have been treated under Non-Current Assets.
- 13.09 Many clients of the company had en-cashed Bank Guarantee on account of various reasons. These amounts were previously treated as recoverable and were accordingly shown as "Receivable against BG Encashment" under Other Financial Assets in Balance Sheet. The management is legally pursuing to recover the amounts of BG encashment with clients and included in the claim amounts. As per the legal advice received, management is of the opinion that these amounts will be recovered in due course of time and no provision is required for probable loss arising out of encashment.

## 14.0 SECURED & UNSECURED LOANS:

- 14.01 The rates of interest and other terms and conditions of loans and advances taken by the Company are not prejudicial to the interest of the Company or its members. Due to financial difficulties, the company could not make repayment of principal amount and interest thereon on regular basis and there were many defaults in repayments. Bankers had invoked SDR scheme. Further, the application of the financial creditors had been admitted by Hon'ble National Company Law Tribunal, Mumbai Bench on February 01, 2020 and Resolution Professional ("RP") was appointed vide order dated March 14, 2020. However, no resolution plan could have been arrived and further the application by the financial creditors had been admitted by Hon'ble national Company Law Tribunal, Mumbai Bench and Liquidator was appointed vide order dated February 08, 2021 till the finalization of the financial statements.
- 14.02 All the term loans are applied for the purpose for which they were obtained.
- 14.03 All the project specific loans have been initially classified as Long term Loans because as per the terms of the sanction, these loans are repayable only after completion of projects whose durations are more than 12 months. However during the current financial year, all Long Term Loans from banks have been classified under Current Maturities of Long Term Loans on account of NPA declared by such banks.
- 14.04 Since all long term loan accounts have turned NPA on 15.12.2017, the balance of these loan accounts have been classified as Current Maturities of Long Term Loans.



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- 14.05 The company has defaulted in repayment of Public Deposits on account of financial difficulties. The matter is under NCLT, as per IBC.
- 14.06 The Company has restated Total Comprehensive Income for the year ended FY March 31, 2017 & March 31, 2018 and Other Equity as on that dates, due to the Company's share of restated profit/loss in JV and Company's prior period finance costs, related to the FY 2016-17 & FY 2017-18 amounting to Rs. 1,387,798,125/- and Rs. 680,50,38,141/-, respectively. Details are as under:

(Amount in Rs.)

| Particulars   | 2016-17              | 2017-18              |
|---|----------------------|----------------------|
| <b>Interest on Borrowed Funds</b>                       | 12,819,07,367        | 613,39,71,087        |
| <b>Company's share of restated profit/loss in JV :-</b> |                      |                      |
| FEMC Pratibha JV  | 10,58,90,758         | 66,68,20,984         |
| Pratibha Mosinzhstroi Consortium                        | -                    | 42,46,070            |
| <b>Total</b>  | <b>138,77,98,125</b> | <b>680,50,38,141</b> |

## 15.0 TRADE PAYABLE & OTHER LIABILITIES:

- 15.01 All known liabilities have been put through the books of account.
- 15.02 The Company has mobilisation advance payable of Rs. 13,02,83,759/-. As per the terms of contract, mobilisation money is regularly recovered during the tenure of the contract and accordingly the same is classified as Current Liability.
- 15.03 Except few cases, there are no claims against the Company from its Customers on account of non-compliance with terms of the contract, defect liability, compensation payable on account of delays on part of the company etc. Few clients have deducted liquidated damages. Wherever the management is hopeful of recovering, the amount has been disclosed under retention and other deposits. All other LD's have been expensed out.
- 15.04 We have shown payables against the Letter of Credit and Credit Card amounting to Rs. 14,35,76,976 as "Deferred Payment Liability".

## 16.0 PROVISIONS:

- 16.01 The Company has provided for Income-Tax in respect of its assessable incomes up to and for the period NIL in terms with the IND AS 37.
- 16.02 Company has provided for deferred tax as per IND AS 37.

## 17.0 PROFIT & LOSS ACCOUNT:

- 17.01 Full provision has been made in the financial statement for all claims and losses of material amount which have resulted or may be expected to result from events which occurred or from commitments which were entered into on or before the date of balance sheet, including losses resulting from forward purchase and/or sale contracts.
- 17.02 No personal expenses have been charged to revenue accounts.

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## 18.0 EVENTS AFTER THE BALANCE SHEET DATE

- 18.01 No events or transactions have occurred since the date of Balance Sheet or are pending that would have a material effect on the financial statement at that date or for the period then ended, other than those reflected or fully disclosed in the books of account.
- 18.02 No events have occurred that are of such significance in relation to the Company's affairs to require mention in a note to the financial statement in order to make them not misleading regarding the results of operations of the Company.

## 19.0 GENERAL:

- 19.01 The Company has maintained registers required under section 189 of the Act recording the particulars of all contracts to which sections 184 and 188 of the Act apply. The transactions made with parties covered under the provisions of sections 184 and 188 have all been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 19.02 The Company has complied with all aspects of contractual agreements that could have a material effect on the financial statements. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the Annual financial statements in the event of non-compliance.
- 19.03 The following have been properly recorded and where appropriate, adequately disclosed in the financial statements:
- a. Losses arising from sale and purchase commitments.
  - b. Agreement and options to buy back assets previously sold.
  - c. Assets pledged as collateral.
- 19.04 The financial statement is free from material misstatements, including omissions.
- 19.05 Joint Ventures and Subsidiary companies on which company has Control i.e. Control defined by Ind AS 110 Consolidated Financial Statements have been consolidated as subsidiary and Joints Ventures / subsidiaries / associates under joint control have been consolidated as per IND AS 111 Joint Arrangement.
- 19.06 The company has determined its Operating cycle for the business activities to be the duration of the specific project/contract/project line/service including the defect liability period, wherever applicable and extends up to the realization of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business. For non-project related assets and liabilities, operating cycle is assumed to be 12 months.
- 19.07 The financial statements are prepared in accordance with accounting standards and other recognised accounting practices.
- 19.08 The provisions of Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder are applicable to the company and are fully complied with.

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19.09 There is no seasonality of operation.

19.10 All the directors are disqualified as on 31<sup>st</sup> March 2020 from being appointed as directors in terms of sub section (2) of section 164 of the Companies Act 2013.

Truly Yours,

**For Pratibha Industries Limited**



**Mr. Anil Mehta**

Liquidator

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