

**TBK VENKATARAMIAH TILE BATH
KITCHEN PRIVATE LIMITED**

2019-2020

Independent Auditor's Report

To the Members of TBK Venkataramiah Tile Bath Kitchen Private Limited

Report on the Audit of the Financial Statements**Opinion**

We have audited the Financial Statements of TBK Venkataramiah Tile Bath Kitchen Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion.

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

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the financial statements

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

In preparing the Financial Statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

- f) In our opinion considering nature of business, size of operation and organisational structure of the entity, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the provisions of the Section are not applicable to the Company.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its statements – Refer Note 25 financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W**

**Mumbai
May 21, 2020**

**Sd/-
CA Deepak Kumar Jain
Partner
M.No: 154390**

Annexure-A to the Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of TBK Venkataramiah Tile Bath Kitchen Private Limited)

1. PROPERTY, PLANT AND EQUIPMENT

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. According to the information and explanation given to us and on the basis of our examination of the records, Company do not have any Immovable properties. Hence the paragraph 3(i) (c) of the Order is not applicable to the Company.
2. During the Operating cycle of Company, Management regularly conduct physical verification of finished traded goods which in our opinion is reasonable, having regard to the size and nature of the Company. The discrepancies noticed on such verification were not significant and the same have been properly dealt with in the books of account.
 3. The Company has not granted any secured loans and unsecured loans to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus paragraph 3(iii) of the Order is not applicable to the Company.
 4. In our opinion and according to the information and explanations given to us, the Company has not made any investment, provided any Loan, security and guarantee, so provision of Section 185 and 186 of the Companies Act, 2013 is not applicable.
 5. The Company has not accepted any deposits from the public.
 6. The Company is in the business of trading, hence the paragraph 3(vi) of the Order is not applicable to the Company.

7. STATUTORY DUES

- a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including income Tax, goods and service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

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

- b. According to the information and explanations given to us, there are no material dues of income tax, goods and service tax and cess which have not been deposited with the appropriate authorities on account of any dispute.

8. In our opinion and according to the information and explanation given to us the Company has not taken loans or borrowings from any Bank or Financial Institution and therefore, paragraph 3 (viii) of the Order, is not applicable to the Company.
9. The Company have not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the provisions of Section 197 read with Schedule V to the Companies Act, 2013 is not applicable to Company.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the Section 188 of the Companies Act, 2013. Details of transactions with the related parties have been disclosed in the Ind AS financial statements as required by applicable Indian Accounting Standards. However, the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.
14. According the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W**

**Mumbai
May 21, 2020**

**Sd/-
CA Deepak Kumar Jain
Partner
M.No: 154390**

Note 1: Significant Accounting Policies

Background

TBK Venkataramiah Tile Bath Kitchen Pvt. Ltd. is a Subsidiary of **H. & R. Johnson (India) TBK Limited**, in the business of trading in Tiles, Bathroom Fittings & Kitchen.

Authorization of financial statements

The Financial Statements were authorized for issue in accordance with a resolution of the directors on 21st May 2020.

Summary of significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the presentation of the standalone financial statements.

A. Basis of Preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values.

B. Rounding of amounts

All amounts disclosed in the financial statement and notes have been rounded off to the nearest Rupees, except where otherwise indicated.

C. Current versus non-current classification

The Company presents its assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is treated as current when it is:

- a) expected to be realised or intended to be sold or consumed in normal operating cycle;
- b) held primarily for the purpose of trading;
- c) expected to be realised within twelve months after the reporting period; or
- d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- a) it is expected to be settled in normal operating cycle;
- b) it is held primarily for the purpose of trading;

- c) it is due to be settled within twelve months after the reporting period; or
- d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

D. Use of judgements, estimates & assumptions

While preparing financial statements in conformity with Ind AS, the Company makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on the estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and Judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- a) Fair value of Financial Assets and Financial liabilities;
- b) The useful lives of, or expected pattern of consumption of the future economic benefits embodied in, depreciable assets;
- c) Valuation of inventories and Inventory obsolescence;
- d) Provisions and Bad Debts;
- e) Evaluation of recoverability of deferred tax assets; and
- f) Contingencies.

E. Revenue Recognition

(i) Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods at which time all of the following conditions are satisfied:

- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns including allowances, trade discounts and volume rebates but does not include Goods & Service Tax (GST).

F. Property, Plant and equipment

- a) Property, plant and equipment are stated at historical cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.
- b) When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Cost of major inspection 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 Statement of Profit or Loss as incurred.
- c) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net realisable value and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.
- d) The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted prospectively.
- e) Free hold Land is not depreciated. Lease arrangements for land are identified as finance lease in case such arrangements result in transfer of the related risks and rewards to the Company.
- f) Stores and Spares which meet the definition of property plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.
- g) Depreciation on Property, Plant & Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Company has assessed the estimated useful lives of its property, plant and equipment and has adopted the useful lives and residual value as prescribed in Schedule II. The estimated useful life of assets are as follows:

Assets	Useful life of asset
Leasehold Improvements	7 years
Building	60 years
Generator	15 years
Electrical Installations	10 years
Office Equipments	5 Years
Computer Equipments	3 Years
Furniture and fixtures	10 years

Vehicles	8 years
Assets acquired under the finance lease	Over the primary lease period and secondary lease period if renewable at nominal cost, if any

Depreciation on stores and spares specific to an item of property, plant and equipment is based on life of the related property, plant and equipment.

- h) In line with the provisions of Schedule II of the Companies Act 2013, the Company depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components has been assessed based on the historical experience.

G. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit or Loss in the period in which the expenditure is incurred.

Cost of Software directly identified with hardware is capitalised along with the cost of hardware. Application software is capitalised as Intangible Asset.

Intangible assets with finite lives are amortised on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each year end. The amortisation expense on intangible assets with finite lives and impairment loss is recognised in the Statement of Profit and Loss.

Estimated lives for current and comparative periods in relation to application of straight line method of amortisation of intangible assets (acquired) are as follows:

Assets	Useful life of asset
Software	3 years

H. Impairment of Assets

Carrying amount of Tangible and Intangible Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal 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. 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.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

I. Inventories

Inventories are valued on weighted average cost or net realizable value whichever is lower after providing for cost of obsolescence and other anticipated losses, wherever considered necessary.

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

J. Trade Receivable

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Trade receivables expected in one year or less, they are classified as current assets. If not they are presented as non-current assets.

K. Cash Flow Statement

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

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown with in borrowings in current liabilities in the Balance Sheet.

L. Share Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

M. Financial Instruments

Financial Assets

Investments and other financial assets

(i) Classification

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit or loss), and

- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are either recorded in statement of profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 – Revenue, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity instruments

The company subsequently measures all equity investments at fair value. Dividends from such investments are recognised in statement of profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss.

(iii) Derecognition

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

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - a) the Company has transferred substantially all the risks and rewards of the asset, or
 - b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(iv) Impairment of financial assets

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

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend income

Dividends are recognised in statement of profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, financial guarantee contracts or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

(ii) Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using effective interest method or at FVTPL. The subsequent 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.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished and the consideration paid is recognised in statement of profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Trade payables

These amounts represent liabilities for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method

Financial guarantee contracts

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

(iii) 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 or loss.

(iv) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other Income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

N. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

The Company ceases capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

O. Provisions, Contingent liabilities, Contingent Assets

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the company recognizes any impairment loss on the assets associated with that contract.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the company.

Contingent liabilities are disclosed in the case of:

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

Contingent Assets is disclosed when inflow of economic benefits is probable.

Contingent Liabilities in respect of show-cause notices are considered only when converted into demands.

P. Gratuity

Provision for liability on account of gratuity obligation is made as per the method stipulated in the Payment of Gratuity Act, 1972.

Q. Taxes on Income

Current Tax

Tax on income for the current period is determined on the basis on 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.

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

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.

Deferred tax

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are 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 assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

R. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

S. Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April 2019. The Company also elected to use the recognition exemptions for lease contracts.

The Company assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the

estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

T. Fair Value measurement

The Company measures financial instruments, such as, derivatives 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:

- a) In the principal market for the asset or liability, or
- b) 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 an asset or a liability is 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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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:

- a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- c) 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 financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (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.

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

Balance Sheet as at March 31, 2020

(Amount in ₹)

Particulars		Note No.	As at March 31, 2020	As at March 31, 2019
I ASSETS				
1 Non Current Assets				
a. Property, Plant and Equipment		2	3,16,139	4,23,674
b. Capital work-in-progress			-	-
c. Investment Property			-	-
d. Goodwill			-	-
e. Other Intangible assets		2	-	-
f. Intangible assets under development			-	-
g. Biological Assets other than bearer plants			-	-
h. Financial Assets			-	-
(i) Investments			-	-
(ii) Trade receivables			-	-
(iii) Loans		3	2,33,910	2,33,910
(iv) Other Financial Assets (to be specified)			-	-
i. Deferred tax assets (net)			-	-
j. Other non-current assets		4	2,18,600	2,18,600
Total Non Current Assets			7,68,649	8,76,184
2 Current Assets				
a. Inventories		5	10,34,108	8,34,241
b. Financial Assets			-	-
(i) Investments			-	-
(ii) Trade receivables		6	36,71,734	41,10,471
(iii) Cash and cash equivalents		7	80,544	2,74,006
(iv) Bank balances other than (iii) above		8	1,00,000	-
(v) Loans			-	-
(vi) Others Financial Assets (to be specified)			-	-
c. Current Tax Assets (Net)			-	-
d. Other current assets		9	1,88,647	1,69,167
Total Current Assets			50,75,033	53,87,885
Total Assets			58,43,682	62,64,069
II EQUITY AND LIABILITIES				
1 Equity				
a. Equity Share Capital		10	1,00,000	1,00,000
b. Other Equity		11	(1,47,89,680)	(1,56,16,009)
Total Equity			(1,46,89,680)	(1,55,16,009)
Liabilities				
2 Non Current Liabilities				
a. Financial Liabilities				
(i) Borrowings		12	82,50,000	82,50,000
(ii) Trade payables			-	-
(iii) Other financial liabilities (to be specified)			-	-
b. Provisions			-	-
c. Deferred tax liabilities (Net)			-	-
d. Other non-current liabilities			-	-
Total Non Current Liabilities			82,50,000	82,50,000
3 Current Liabilities				
a. Financial Liabilities				
(i) Borrowings			-	-
(ii) Trade payables			-	-
Total outstanding dues of Micro Enterprises & Small Enterprises			-	-
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises		13	14,81,803	33,81,500
(iii) Other financial liabilities (to be specified)		14	1,04,07,300	99,63,843
b. Other current liabilities		15	3,94,259	1,84,735
c. Provisions			-	-
d. Current Tax Liabilities (Net)			-	-
e. Liabilities directly associated with assets classified as held for sale			-	-
Total Current Liabilities			1,22,83,362	1,35,30,078
Total Equity and Liabilities			58,43,682	62,64,069

Summary of Significant accounting policies

1

Refer accompanying notes. These notes are an integral part of the financial statements

As per our report of even date
For Borkar & Muzumdar
 Chartered Accountants
 Firm Registration no.101569W

For and on behalf of the Board of Directors
TBK Venkataramiah Tile Bath Kitchen Pvt Ltd

Sd/-
Deepak Kumar Jain
 Partner
 Membership No. 154390

Sd/-
J Narsing Rao
 Director
 DIN - 03337843

Sd/-
Vinod Garg
 Director
 DIN - 08574952

Place : Mumbai
Date : May 21, 2020

Place : Thane
Date : May 21, 2020

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

Statement of Profit & Loss the period ended March 31, 2020

(Amount in ₹)

Particulars		Note No.	Year ended March 31, 2020	Year ended March 31, 2019
I.	Revenue from operations	16	4,11,54,190	4,02,84,887
II.	Other Income			-
III.	Total Income (I+II)		4,11,54,190	4,02,84,887
IV.	Expenses:			
	Cost of materials consumed			
	Purchases of Stock-in-Trade	17	3,61,51,739	3,52,60,052
	Changes in inventories of Finished goods, work in progress and stock-in-Trade	18	(1,99,867)	(2,35,590)
	Excise duty on sales of goods		-	-
	Manufacturing expenses		-	-
	Employee's Benefits Expense	19	14,53,398	19,88,278
	Finance Costs	20	7,44,535	7,42,500
	Depreciation and Amortization Expense	2	1,07,535	2,10,042
	Impairment loss on financial assets			
	Impairment on non-current assets			
	Other expenses	21	20,70,520	29,06,638
	Total expenses (IV)		4,03,27,860	4,08,71,921
V.	Profit / (loss) before exceptional and tax (III-IV)		8,26,330	(5,87,034)
VI.	Exceptional items		-	-
VII.	Profit / (loss) before tax (V-VI)		8,26,330	(5,87,034)
VIII.	Tax expense:			
	- Current tax		-	-
	- Minimum Alternate Tax		-	-
	- MAT Credit Entitlement		-	-
	- Deferred tax		-	-
			-	-
IX.	Profit (Loss) for the period from continuing operations (VII-VIII)		8,26,330	(5,87,034)
X.	Profit / (loss) for the period from discontinued operations before tax		-	-
XI.	Tax expense of discontinued operations		-	-
XII.	Profit/(loss) from Discontinuing operations (after tax) (X-XI)		-	-
XIII.	Profit (Loss) for Period (IX+XII)		8,26,330	(5,87,034)
XIV.	Other Comprehensive Income			
	a (i) Items that will not be reclassified to profit or loss		-	-
	(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		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV.	Total other comprehensive income		-	-
XVI.	Total Comprehensive Income for the Period (XIII+XV)		8,26,330	(5,87,034)
	Earnings per equity share (for continuing operations) :			
	- Basic (in Rs.)		82.63	(58.70)
	- Diluted (in Rs.)		82.63	(58.70)
	Earnings per equity share (for discontinued operations) :			
	- Basic (in Rs.)		-	-
	- Diluted (in Rs.)		-	-
	Earnings per equity share (for discontinued and continuing operations) :			
	- Basic (in Rs.)		82.63	(58.70)
	- Diluted (in Rs.)		82.63	(58.70)
Significant Accounting Policies		1		
Refer accompanying notes. These notes are an integral part of the financial statements				
As per our report For and on behalf of the Board of Directors For Borkar & Muzumdar Chartered Accountants Firm Registration no.101569W Sd/- Deepak Kumar Jain Partner Membership No. 154390 Place : Mumbai Date : May 21, 2020			For and on behalf of the Board of Directors TBK Venkataramiah Tile Bath Kitchen Pvt Ltd Sd/- J Narsing Rao Director DIN - 03337843 Sd/- Vinod Garg Director DIN - 08574952 Place : Thane Date : May 21, 2020	

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED
Cash Flow Statement for the year ended March 31, 2020
(Amount in ₹)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from operating activities		
Profit Before Tax from Continuing Operations	8,26,330	(5,87,034)
Profit Before Tax from Discontinuing Operations	-	-
Profit before income tax including discontinued operations	8,26,330	(5,87,034)
Non-cash Adjustment to Profit Before Tax:		
Depreciation and amortization expense	1,07,535	2,10,042
Gain on disposal of property, plant and equipment	-	-
Change in fair value of financial assets at fair value through profit or loss	-	-
Unwinding of discount on security deposits	-	-
Finance costs	7,44,535	7,42,500
Net exchange differences	-	-
	16,78,400	3,65,508
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	4,38,737	(16,24,898)
Decrease/(increase) in inventories	(1,99,867)	(2,35,590)
Increase/(decrease) in trade payables	(18,99,697)	4,28,948
Increase/(decrease) in other financial assets	-	(1,600)
Decrease/(increase) in other non-current assets	-	14,701
Decrease/(increase) in other current assets	(19,480)	(16,887)
Increase/(decrease) in other financial liabilities	4,43,457	19,46,782
Increase/(decrease) in other current liabilities	2,09,524	49,711
Cash generated from operations	6,51,073	9,26,675
Direct taxes paid (net of refunds)	-	-
Net cash flow from/(used in) operating activities (A)	6,51,073	9,26,675
Cash flow from investing activities		
Payments for acquisition of property, plant and equipment	-	-
Investment in Fixed Deposit	(1,00,000)	-
Loans to employees and related parties	-	-
Proceeds from sale of property, plant and equipment	-	-
Repayment of loans by employees and related parties	-	-
Interest received	-	-
Net cash flow from/(used in) investing activities (B)	(1,00,000)	-
Cash flows from financing activities		
Proceeds from borrowings	-	-
Repayment of short-term borrowings	-	-
Interest paid	(7,44,535)	(7,42,500)
Net cash flow from/(used in) in financing activities (C)	(7,44,535)	(7,42,500)
Net increase/(decrease) in cash and cash equivalents (A+B+ C)	(1,93,462)	1,84,175
Effect of exchange differences on cash & cash equivalent held in foreign currency	-	-
Cash and cash equivalents at the beginning of the year	2,74,006	89,830
Cash and cash equivalents at the end of the year	80,544	2,74,006
Non-cash financing and investing activities	-	-
Acquisition of property, plant and equipment by means of finance lease	-	-
	-	-
Reconciliation of cash and cash equivalents as per the cash flow statement :		
Cash and cash equivalents	80,544	2,74,006
Balance as per the cash flow statement :	80,544	2,74,006
Significant accounting policies	1	
As per our report of even date		
For Borkar & Muzumdar		For and on behalf of the Board of Directors
Chartered Accountants		TBK Venkataramiah Tile Bath Kitchen Pvt Ltd
Firm Registration no.101569W		
Sd/-	Sd/-	Sd/-
Deepak Kumar Jain	J Narsing Rao	Vinod Garg
Partner	Director	Director
Membership No. 154390	DIN - 03337843	DIN - 08574952
Place : Mumbai	Place : Thane	
Date : May 21, 2020	Date : May 21, 2020	

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED
Statement of changes in equity for the period ended Mar 31, 2020

Equity share capital	Amount
Balance at March 31, 2019	1,00,000
Changes in equity share capital during the year	
Balance at March 31, 2020	1,00,000

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED
Statement of changes in equity for the year ended Mar 31, 2020 - continued

Other equity	Reserves and Surplus				Items of Other Comprehensive Income		Total
	Capital Redemption reserve	Debenture redemption reserve	General reserve	Retained earnings	Remeasurements of the defined benefit plans	Items of Other Comprehensive Income	
Balance at April 1, 2019	-	-	-	(1,56,16,009)	-	-	(1,56,16,009)
Profit / (Loss) for the peiod	-	-	-	8,26,329	-	-	8,26,329
Other comprehensive income	-	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(1,47,89,680)	-	-	(1,47,89,680)
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-
Balance at Mar 31, 2020	-	-	-	(1,47,89,680)	-	-	(1,47,89,680)

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

Notes to Financial Statements for the year ended Mar 31, 2020

2 Property, plant and equipment :

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2019	Addition	Disposal	Other Adjustments	As at Mar 31, 2020	As at April 1, 2019	For the year	Elimination on disposal	Other adjustments	As at Mar 31, 2020	As at Mar 31, 2020	As at March 31, 2019
Own Assets:												
Leasehold Improvements	18,32,068	-	-	-	18,32,068	18,32,068	-	-	-	18,32,068	-	-
Computers	58,220	-	-	-	58,220	36,881	9,386	-	-	46,266	11,954	21,339
Furniture, Fixtures	4,78,630	-	-	-	4,78,630	2,67,273	66,727	-	-	3,34,000	1,44,629	2,11,356
Office Equipment	1,86,430	-	-	-	1,86,430	1,65,498	-	-	-	1,65,498	20,932	20,932
Generator	1,77,711	-	-	-	1,77,711	57,512	14,358	-	-	71,871	1,05,841	1,20,199
Electrical Equipments	1,18,195	-	-	-	1,18,195	68,348	17,064	-	-	85,412	32,783	49,847
Total	28,51,254	-	-	-	28,51,254	24,27,580	1,07,535	-	-	25,35,115	3,16,139	4,23,674

Particulars	Gross Carrying Amount					Depreciation					Net Block	
	As at April 1, 2018	Addition	Disposal	Other Adjustments	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	Other adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Own Assets:												
Leasehold Improvements	18,32,068	-	-	-	18,32,068	17,37,060	95,008	-	-	18,32,068	-	95,008
Computers	58,220	-	-	-	58,220	20,466	16,415	-	-	36,881	21,339	37,754
Furniture, Fixtures	4,78,630	-	-	-	4,78,630	2,00,546	66,727	-	-	2,67,273	2,11,356	2,78,083
Office Equipment	1,86,430	-	-	-	1,86,430	1,65,027	471	-	-	1,65,498	20,932	21,403
Generator	1,77,711	-	-	-	1,77,711	43,154	14,358	-	-	57,512	1,20,199	1,34,557
Electrical Equipments	1,18,195	-	-	-	1,18,195	51,285	17,064	-	-	68,348	49,847	66,911
Total	28,51,254	-	-	-	28,51,254	22,17,538	2,10,042	-	-	24,27,580	4,23,674	6,33,716

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED
Note : 3 Non Current Financial Assets - Loans

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Unsecured considered good		
Security Deposits	2,33,910	2,33,910
Total	2,33,910	2,33,910

Note : 4 Other Non Current Assets

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Deposit with statutory authorities (net of provision)	5,000	5,000
Deposit with statutory authorities (Disputed Dues)	2,13,600	2,13,600
Total	2,18,600	2,18,600

Note : 5 Inventories

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Stock in Trade (Valued at lower of cost or net realisable value)	10,34,108	8,34,241
Total	10,34,108	8,34,241

Note : 6 Trade Receivables

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Secured - Considered Good		
Unsecured - Considered Good	36,71,734	42,17,727
Doubtful	-	-
	36,71,734	42,17,727
Less: Allowance for doubtful debts (expected credit loss)	-	(1,07,256)
Total	36,71,734	41,10,471

Note : 7 Cash and Cash Equivalents

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Balances with banks		
- On current accounts	37,181	2,00,852
Cash in hand	43,363	73,154
Total	80,544	2,74,006

Note : 8 Bank balances other than above

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Fixed Deposit with Bank	1,00,000	-
Total	1,00,000	-

Note : 9 Other Current Assets

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Other receivable	47,678	19,175
Prepaid Expenses	-	9,023
GST Receivable	1,40,969	1,40,969
Total	1,88,647	1,69,167

Note : 10 Share Capital

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Authorised		
10,000 Equity Shares of ₹ 10 each (Previous Year : 10,000 Equity Shares of ₹ 10 each)	1,00,000	1,00,000
Total	1,00,000	1,00,000
Issued & Subscribed & Paid up		
10,000 Equity Shares of ₹ 10 each (Previous Year : 10,000 Equity Shares of ₹ 10 each)	1,00,000	1,00,000
Total	1,00,000	1,00,000

(a) Reconciliation of No of Shares outstanding

Particulars	As at 31-3-2020	As at 31-3-2019
Shares outstanding at the beginning of the year	10,000	10,000
Shares Issued during the year	-	-
Shares outstanding at the end of the year	10,000	10,000

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED**(b) Rights, Preferences and Restrictions attached to Equity Shares**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is entitled to one vote per equity share. The share holders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the company in proportion to their shareholding after distribution of all preferential amounts.

(c) Details of Shareholders

Name of Shareholder	As at 31-03-2020		As at 31-03-2019	
	Total Shares held	As a % of Total Shares	Total Shares held	As a % of Total Shares
H. & R. Johnson (India) TBK Ltd	10,000	100	10,000	100

Note : 11 Other Equity

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Surplus in Statement of Profit and Loss		
Opening balance	(1,56,16,009)	(1,50,28,976)
Profit / (Loss) for the year	8,26,330	(5,87,034)
Total	(1,47,89,680)	(1,56,16,009)

Note : 12 Non Current Financial Liabilities - Borrowings

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Unsecured		
Loans and advances from related parties (Repayment by December 31, 2021)	82,50,000	82,50,000
Total	82,50,000	82,50,000

Note : 13 Trade Payables

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Total outstanding dues of Micro Enterprises & Small Enterprises	-	-
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	14,81,803	33,81,500
Total	14,81,803	33,81,500

Note : 14 Other Current Financial Liabilities

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Interest accrued but not due on Loans	46,14,529	39,44,448
Liability for Expenses	57,92,771	60,19,395
Total	1,04,07,300	99,63,843

Note : 15 Other Current Liabilities

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Advance from Customers	3,36,293	65,788
Statutory Liabilities	57,966	1,18,947
Total	3,94,259	1,84,735

TBK VENKATARAMAIAH TILE BATH KITCHEN PRIVATE LIMITED**Note : 16 Revenue from Operations**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Sale of Products & Services	4,07,04,330	3,94,68,422
Other operating revenue	4,49,860	8,16,465
Total	4,11,54,190	4,02,84,887

Note : 17 Purchases Stock-in-Trade

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Purchase of products	3,61,51,739	3,52,60,052
Total	3,61,51,739	3,52,60,052

Note : 18 Change in Inventories of stock-in-trade

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the end of the year		
Traded Goods	10,34,108	8,34,241
Inventories at the beginning of the year		
Traded Goods	8,34,241	5,98,651
Total	(1,99,867)	(2,35,590)

Note : 19 Employee Benefits Expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	13,75,525	19,01,044
Staff welfare expenses	77,873	87,234
Total	14,53,398	19,88,278

Note : 20 Finance Cost

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest on loan	7,44,535	7,42,500
Total	7,44,535	7,42,500

Note : 21 Other Expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rent	9,27,150	17,25,000
Bank Charges	56,155	36,629
Power & Fuel	36,000	30,000
Rates & Taxes	44,250	25,001
Travelling & Communication	1,88,025	3,14,827
Bad debts	-	89,220
Repairs to Others	1,52,327	1,42,861
Electricity Expenses	2,11,212	1,82,566
Printing & Stationery	35,521	31,801
Payment to Auditors - as Auditor	47,500	47,500
Legal & Professional Charges	46,000	48,250
Miscellaneous Expenses	3,26,380	2,32,983
Total	20,70,520	29,06,638

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

Note 22 : EARNINGS PER SHARE

(Amount in ₹)

Particulars	As At March 31,2020	As At March 31,2019
Profit / (Loss) for the year	8,26,330	(5,87,034)
Weighted Average Number of Equity Shares	10,000	10,000
Nominal value of shares	10	10
Basic Earnings / (Loss) Per Share	82.63	(58.70)

Note 23 :

The disclosure in respect of the amounts payable to such micro, small and medium enterprises as at March 31, 2020 has been made basis of information received from suppliers.

Note 24 :

The company has reversed the gratuity liability amounting to NIL (P.Y. NIL) on the method stipulated under the Payment of Gratuity Act, 1972. The company does not offer any other benefits to its employees.

Note 25 :

Contingent liability represents items that at 31st March, 2020, are not recognised in the statement of Financial Position because there is significant uncertainty at that date as to the necessity for the entity to receive or make payments in respect of them.

Liability relating to consumer case of Mrs.Nanditha S Banakar of kitchen supply amounting to Rs. 4,63,150

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

Note 26: RELATED PARTY DISCLOSURE

(a) Name of Related Parties

Parent company

1 Prism Johnson Limited

Enterprise under common control

- 1 TBK Samiyaz Tile Bath Kitchen Private Limited.
- 2 TBK Deepgiri Tile Bath Kitchen Private Limited.
- 3 TBK Unique Jalgaon Tile Bath Kitchen Private Limited.
- 4 TBK Krishna Tile Bath Kitchen Private Limited - (upto - 21/06/2019)
- 5 TBK Rangoli Tile Bath Kitchen Private Limited.
- 6 TBK PB Shah Tile Bath Kitchen Private Limited. - (upto - 21/03/2020)
- 7 TBK Sanitary Sales Private Limited.
- 8 TBK Florance Ceramics Private Limited.
- 9 TBK Deziner's Home Private Limited. - (upto - 24/06/2019)
- 10 TBK Prathap Tile Bath Kitchen Private Limited.
- 11 TBK Rathi Sales Agenceis Private Limited. - (upto - 14/11/2019)
- 12 TBK Rishi Ceramics Private Limited. - (upto - 23/10/2019)
- 13 TBK Shree Ganesh Traders Private Limited. - (upto - 14/11/2019)
- 14 TBK Aishwarya Tile Bath Kitchen Private Limited. - (upto - 24/10/2019)
- 15 TBK Home Trends Private Limited. - (upto - 19/10/2019)
- 16 TBK Rajkamal Tile Bath Kitchen Private Limited. - (upto - 24/06/2019)
- 17 TBK Solan Ceramics Private Limited. - (upto - 23/08/2019)
- 18 Ardex Endura (India) Private Limited.

Holding company

1 H & R Johnson (India) TBK Ltd.

(b) Transactions entered with the related party during the year.

(Amount in ₹)

Particulars	Enterprises under comon control	Parent company	Holding company
Payment of Rent - H & R Johnson (India) TBK Ltd.	-	-	9,27,150
	-	-	(17,25,000)
Purchase of goods - Prism Johnson Limited.	-	3,53,53,857	-
	-	(3,40,79,403)	-
Purchase of goods - H & R Johnson (India) TBK Ltd.	-	-	2,214
	-	-	(2,34,164)
Purchase of goods - TBK Prathap Tile Bath Kitchen Pvt. Ltd.	28,019	-	-
	(591)	-	-
Purchase of goods - Ardex Endura (India) Pvt. Ltd.	1,82,224	-	-
	(4,59,264)	-	-
Incentives & others - Prism Johnson Ltd.	-	7,13,867	-
	-	(8,54,057)	-
Sale of goods - TBK Prathap Tile Bath Kitchen Pvt Ltd	56,455	-	-
	(45,113)	-	-
Sale of goods-H & R Johnson (India) TBK Ltd	-	-	67,424
	-	-	(5,83,200)
Sales of goods - Ardex Endura (India) Pvt. Ltd.	-	-	-
	(33,605)	-	-
Payment of Salary & Reimbursement of expenses	-	-	-
	-	-	(20,77,019)
Interest on Unsecured Loans-H & R Johnson (India) TBK Ltd.	-	-	7,44,535
	-	-	(7,42,500)
Reimbursement-Prism Johnson Ltd	-	2,68,995	-
	-	(41,893)	-

TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED

c) The details of balance as at March 31, 2020

(Amount in ₹)

Sr. No.	Name	Nature of Relationship	Nature of Payment / Receipts	As at March 31, 2020
1	H & R Johnson (India) TBK Ltd.	Holding Company	Unsecured Loan	82,50,000 (82,50,000)
2	H & R Johnson (India) TBK Ltd.	Holding Company	Interest Accrued on Loan	46,14,529 (39,44,448)
3	PRISM JOHNSON LIMITED	Parent Company	Purchase of goods	13,46,368 (33,24,749)
4	H & R Johnson (India) TBK td.	Holding Company	Purchase and sale of goods & services	54,00,879 (59,40,240)

Note 27:

The balances of Sundry debtors and Creditors are subject to confirmation. The Directors are of the Opinion that no asset is likely to be realized for an amount less than the amount at which it is recorded in the financial statements as at March 31, 2020 except for those which management has identified and classified as doubtful for recovery.

Note 28: Note on Proposed Scheme of Amalgamation

The Board of Directors of the company had approved on October 23, 2019 the Composite Scheme of Arrangement and Amalgamation amongst Prism Johnson Limited ("PJL"), Milano Bathroom Fittings Private Limited ("Milano"), Silica Ceramica Private Limited ("Silica"), H. & R. Johnson (India) TBK Limited ("HRJTBK"), TBK Samiyaz Tile Bath Kitchen Private Limited ("TBK Samiyaz"), and TBK Rangoli Tile Bath Kitchen Private Limited ("TBK Rangoli") which has been filed before the NCLT, Hyderabad.

The Company will be demerged entity after scheme is approved and retail / trading business unit will be taken over by HRJTBK. The statutory approvals for the proposed scheme are awaited and no impact of the same has been provided in the financials of the Company for the year ended March 31, 2020

Note 29: Note on COVID-19

The World Health Organisation announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been further extended till May, 2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management has made assessment of the impact of COVID-19 on the company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements.

Accordingly no adjustments have been made to the financial statements.

Note 30:

Previous year figures have been recast, regrouped and reclassified to make them comparable with the current year figures.

For Borkar & Muzumdar
Chartered Accountants
Firm Registration no.101569W

For and on behalf of the Board of Directors
For Venkataramiah Tile Bath Kitchen Pvt. Ltd.

Sd/-
Deepak Kumar Jain
Partner
Membership No. 154390

Sd/-
J Narsing Rao
Director
DIN - 03337843

Sd/-
Vinod Garg
Director
DIN - 08574952

Place : Mumbai
Date : May 21, 2020

Place : Thane
Date : May 21, 2020