



४६ वीं वार्षिक रिपोर्ट 46th ANNUAL REPORT

2018 - 2019



रिचर्डसन एण्ड क्रुडास (१९७२) लिमिटेड
(भारत सरकार का उपक्रम)

Richardson & Cruddas (1972) Limited
(A Govt. Of India Undertaking)

ENGLISH
EDITION



SHRI ARVIND KUMAR
DIRECTOR ON THE BOARD OF R & C



SMT. PARVEEN GUPTA
DIRECTOR ON THE BOARD OF R & C



SHRI AVINASH KUMAR VAJPEYI
CHAIRMAN & MANAGING DIRECTOR (ADDL. CHARGE)

**46th ANNUAL REPORT
2018 - 2019**

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RICHARDSON & CRUDDAS (1972) LTD

BOARD OF DIRECTORS

A)	Chairman & Managing Director		
	Shri. Avinash Kumar Vajpeyi	:	From 27.04.2018
B)	Directors		
	Shri Arvind Kumar	:	From 30.05.2016
	Smt. Parveen Gupta	:	From 20.12.2017
	Shri Ravindra Badaya	:	From 06.05.2016
C)	Executives		
	Shri Varun Kumar Shukla		Deputy General Manager
	Shri. Sanjay Kumar Ojha	:	Chief Finance Officer (CFO)
	Shri. D. S. Rao	:	Unit In-charge –Nagpur
	Mrs. Pooja G Shirodkar	:	Company Secretary & CPIO
D)	Auditors		
	M/s. Jain & Jain	:	Statutory Auditors for FY 2019-20
E)	Bankers	:	State Bank of India, Byculla Branch

Registered Office:

Byculla Iron Works,

Sir. J. J. Road,

Byculla, Mumbai – 400008



RICHARDSON & CRUDDAS (1972) LTD

NOTICE

Notice is hereby given that the 46th Annual General Meeting of the Members of Richardson & Cruddas (1972) Limited will be held on Saturday, 12th October, 2019 at 11 am at the Registered Office, Conference Room, 3rd Floor, Sir, J.J. Road, Byculla, Mumbai 400008 to consider following business as Ordinary Business.

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March 2019 along with the report of the Statutory Auditors and Comments of the CAG under section 143(6)(b) of the Companies Act, 2013 and the report of the Directors thereon and to consider and if thought fit to pass the following Resolution as an “Ordinary Resolution”.

“RESOLVED that the audited Financial Statements of the Company for the Financial Year ended 31st March 2019 along with the reports of the Auditors and Directors thereon along with comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 be and are hereby approved and adopted.”

2. To note the appointment of the Statutory Auditors M/s Jain & Jain for the Financial Year ended 31st March 2020 as per the letter No. CA.V/COY/CENTRAL GOVT.RICHRD(1)/529 dated 07.08.2019 received from the CAG.

BY ORDER OF THE BOARD

Pooja G Shirodkar
Company Secretary & CPIO

Date: 04.10.2019

Place: Mumbai



RICHARDSON & CRUDDAS (1972) LTD

Notes

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy (proxies) need not be member (s) of the Company.



RICHARDSON & CRUDDAS (1972) LTD

RICHARDSON & CRUDDAS (1972) LIMITED
MUMBAI

PROXY FORM

1. Shri _____, S/O. Shri _____, _____ of M/s. Richardson & Cruddas (1972) Limited do hereby appoint Shri _____, _____ (or failing him)

Shri _____ of _____

as my Proxy to attend and Vote for me and on my behalf at the 46th Annual General Meeting of the Company to be held on 12th October 2019 at 11.00 am and at any adjournment thereof.

Signature: _____

Name : _____

Dated, this _____ day of _____ 2019



RICHARDSON & CRUDDAS (1972) LTD

DIRECTORS' REPORT

The Shareholders
Richardson & Cruddas (1972) Limited

Gentlemen,

Your Directors have pleasure in presenting the 46th Annual Report of the Company together with the audited Statement of Accounts for the year ended 31st March 2019.

1. FINANCIAL PERFORMANCE:

The details of Company's financial performance are as hereunder:

Particulars	2018-2019 (₹. in Crores)	2017-2018 (₹. in Crores)
Gross Sales (Net of Excise Duty)	42.70	46.40
Depreciation	0.40	0.39
Interest	Nil	Nil
PBT	23.78	16.46
Net Profit/(Loss) after tax	22.94	16.46
<u>Income</u>		
Revenue from operations	30.57	33.16
<u>Expenditure:</u>		
Raw Material	0.33	2.91
Sub-Contracting Expenses	11.46	13.29
Change in Inventories of finished goods/stock	0.50	0.59
Employee benefits Expense	1.58	1.23
Other Expenses	5.74	11.54
Total Expenditure	19.61	29.55



RICHARDSON & CRUDDAS (1972) LTD

Operating Profit	10.96	3.61
Add : Other Income	12.13	13.25
Less : Finance Cost	----	----
Depn.	0.40	0.39
Prior Period		
Profit after Depn. & Interest	22.69	16.46
Prior Period & Extra Ordinary Items Adjustment	1.09	—
Profit/(Loss) before Tax	23.78	16.46
Tax Expenses	0.84	
Profit After Tax	22.94	16.46
Accumulated Profit/Loss	(406.30)	(429.24)

2. OPERATIONS:

The company booked orders worth Rs. 24.85 crores during the current year despite adverse market conditions. Order position is getting affected due to stoppage of new order booking by Chennai and Nagpur Units to comply with the cabinet decision dated 21.09.2016. There is also shortage of manpower. Currently, company is having only 10 employees on the payroll as on 31.03.2019

3. DIVIDEND PAYMENT:

In view of carry forward losses, your Board does not recommend any dividend on the Equity Shares as also on 8% Redeemable Non-Cumulative Preference Shares during the Current Year.

4. Implementation of Cabinet Decision dated 21.09.2016

I. Update on Byculla Land

- i) The status of the dispute with State Government over leasehold rights of the Company for Byculla Factory largely remains the same. The State Govt. has offered to renew the lease vide letter ref No. Jamin 2516/C.R.42/J2 dated 25.06.2018 subject to Company surrendering 50% of the land in favour of State Govt. An affidavit to this effect has been filed by the office of Collector in the Hon'ble High Court Mumbai on 31.01.2019.
- ii) The offer of the State Govt. not being acceptable to the Company/ DHI, following actions have been taken:



- A letter has been sent by CMD to DHI vide letter ref No. R&C/DHI/18-19/480 dated 30.01.2019 to schedule early meeting between Chief Secretary GOM & Secretary DHI to discuss and resolve the matter amicably where Centre has emphasis its requirement for entire 13.5 Acres of land for implementation of various schemes of GOI. The Hon'ble High Court hearing company's writ petition has repeatedly requested the parties to explore possibility of out of Court settlement.
 - A letter has also been sent by Hon Minister DHI (MI & PE) to Chief Minister GOM vide D.O no. 4(8)/2016 PE-IV 241-F dated 12.03.2019 reiterating stand of the Central Government that entire land will be required for Central Government and hence State should renew the same.
 - A letter has also been sent by CMD to Collector Mumbai vide letter ref No. R&C/2018-19/517 dated 27.02.2019 for certified copies of Maps/drawings as available in their record. A reminder to the above said letter has also been sent on 28.03.2019.
- iii) In the Court hearing held on 26.07.2019, the Hon'ble High Court Mumbai has adjourned the matter to September 6, 2019.
- iv) A meeting was held on 05.07.2019 by Hon'ble Minister (HI&PE) at DHI at Udyog Bhawan, New Delhi to review the working of R&C. During meeting, in line with vision 2024 of DHI for the industrial development of the country, the following options for the suitable use of Byculla land were actively considered:
- World class convention and Exhibition Centre
 - Common Industrial Infrastructure Centre
 - Centre of Excellence for Technology Development
 - National Testing and Certification Centre
 - Skill Development Centre
 - Industrial Park with specialized common industrial infrastructure facilities
 - New Industry 4.0 centre
 - Start-up Incubation Centre (pertaining to Industries)
- v) In this connection, various correspondence have taken place between the Centre and the State for renewal of lease by the State Govt. to enable the DHI to implement the aforesaid schemes. Letters have also been exchanged between the Ministers of Union of India and the State and the latest being letter dated 27.07.2019 from Shri Arvind Sawant to Shri Devendra Fadnavis Chief Minister, Maharashtra requesting renewal of entire 13.5 acres of land.
- State Govt. has offered to renew lease of only 50% of the land and they want to resume 50% of the land for their own use.



II. Update On Mulund Land

- (1) Notice of Motion was filed by M/s Pharma No. 1056/2014. This was once again moved for pressing their objection when an expression of interest was issued by the Company for best use of land at Mulund in 2018.
- (2) After hearing the parties, Hon'ble High Court has dismissed the notice of motion vide order dated 30.10.2018 in favour of Company.
- (3) M/s Pharma challenged the order dated 30.10.2018 passed by learned single judge before Hon'ble High Court, Mumbai, double bench vide Appeal no. 19 of 2019. The bench vide order dated 25.03.2019 has dismissed the appeal filed by M/s Pharma.

Company's suit for specific performance will be heard by the Hon'ble Court shortly & all the documents which the Company intends to rely upon will have to be offered for inspection.

- (4) Status of availability/ Non- availability of registered documents.
- (5) The Company has to file affidavit of evidence. Currently, we are filing additional documents which we have to serve the other parties in the suit No. 3572 of 2006 which is pending before the Hon'ble High Court of Judicature at Bombay.

After serving the above, the parties to the said suit have to give inspection of the documents on which they are relying.

After the above procedure is completed by both the parties, evidence has to be led and their names have to be furnished well in advance to the Advocate.

5. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE INFLOW AND OUTFLOW:

(A) Technology Absorption:

The Company has not undertaken any major technology up-gradation programme during the year.

(B) R&D And Quality:

Chennai Unit of the Company continues to carry out environmental Impact studies for various clients. However, in pursuant to Union Cabinet decision dated 21.09.2016, laboratory has been closed w.e.f 01.06.2018.

(C) Foreign Exchange Inflow & Outflow:

There is no foreign exchange inflow or outflow during the year.

(D) Energy:

Operations in your Company are not energy intensive. However, Energy Audit was done by the units of Company. Nevertheless all possible efforts are being made to reduce energy consumption and costs and the same have been under control.



6. HUMAN SOURCES:

Industrial Relations continued to be cordial during the year. The manpower strength was 10 at the end of March, 2019.

7. SCHEDULE CASTE/TRIBES/OBC EMPLOYEES/PHYSICALLY HANDICAPPED PERSONS:

The Government directives in respect of SC/ST/OBC/Physically Handicapped persons are being regularly followed and implemented.

8. PARTICULARS OF EMPLOYEES:

None of the employees have drawn remuneration required to be reported under Section 134 of the Companies Act 2013, read with Companies (Particulars of Employees) Rules, 1988 during the year.

9. ENVIRONMENT POLLUTION CONTROL:

Your Company is fully committed to preventing pollution and protecting environment. Efforts were continued during the year to promote afforestation in Mulund and Nagpur unit of the Company where sufficient vacant land is available for the purpose. The pollution control equipment installed in Nagpur Unit to safeguard health hazards arising out of galvanizing activities is functioning satisfactorily as per the standards set by Regulating Agency.

10. VIGILANCE CELL:

The Company has four manufacturing units, one each at Byculla, Mulund, Nagpur and Chennai. Shri Alok Ranjan has been appointed as Chief Vigilance Officer (CVO) of the Company.

11. USE OF HINDI:

The Official Language Implementation Committee of the Company continued its efforts for promoting use of Hindi Language in accordance with Annual Programme for implementation of official language issued for the year 2018-19 by the Deptt. of Official Language, Ministry of Home Affairs, to encourage employees for progressive use of Hindi in day-to-day official work.

12. BOARD OF DIRECTORS - APPOINTMENT AND CESSATION.

DHI vide their letter No. 4(8)/2010-PE IV (Part. II) dated 27.04.2018, has handed over additional charge for the post of Chairman & Managing Director, Richardson & Cruddas (1972) Limited (R&C) to Shri Avinash Kumar Vajpeyi, General Manager, BHEL, Mumbai for a period of six months w.e.f 27.04.2018 & further extension of one year w.e.f 27.10.2018 or till the appointment of a regular incumbent or until further orders, whichever earlier. An Independent Director Shri Ravindra Badaya ceased to be director with effect from 05.05.2019 on completing his term of appointment.



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NUMBER OF BOARD MEETINGS HELD AND DATES ON WHICH THE SAME WERE HELD

The Meetings of the Board are normally held at the Company's registered office at Byculla, Mumbai and are scheduled well in advance. Written notice of each Board meeting is sent to all the Directors. The Board meets at least once in a quarter to review the performance of the Company. The Board met five times during the year i.e on 25.05.2018, 24.08.2018, 01.12.2018, 15.12.2018 & 30.03.2019.

Attendance of individual Directors at the Board Meetings and at the last Annual General Meeting is as follows:

Sr. No	Name of the Director	No. of Board Meetings Attended	Attendance at the AGM
1.	Shri Avinash Kumar Vajpeyi	5	Present
2.	Shri Arvind Kumar	5	Present
4.	Shri Ravindra Badaya	5	Present
5.	Smt. Parveen Gupta	NIL	No

13. AUDIT COMMITTEE:

The Company has constituted an Audit Committee in its 231st Board meeting held on 23.03.2018 as per Companies Act 2013 and same has been reconstituted time to time due to change in directorship of the Company.

1 Terms of reference:

The terms of reference of the Audit Committee specified by the Board are in conformity with the requirements Section 177 of the Companies Act, 2013 and are as follows.

- i. Recommending to the Board about the appointment, reappointment and if required, the replacement/removal of the statutory auditors and fixation of the audit fees of the auditors to the extent applicable to Government Companies.
- ii. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and reliable.
- iii. Reviewing with the Management, the Annual financial statements before submission to the Board for approval with particular reference to:



- (a) Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of various provisions of the Companies Act, 2013 and applicable rules and accounting standards
 - (b) Changes, if any in accounting policies, and practices and reasons for the same.
 - (c) Major accounting entries involving estimates based on the exercise of judgment by the management.
 - (d) Significant adjustments made in the financial statements arising out of audit findings.
 - (e) Disclosure of any related party transactions.
 - (f) Qualifications in the draft audit report.
- iv. Reviewing with the Management, the quarterly financial statements before submission to the Board for approval.
 - v. Reviewing with the Management, performance of the Statutory and Internal Auditors, adequacy of the Internal controls and systems
 - vi. Reviewing the adequacy of Internal audit functions including the structure of Internal Audit, its coverage and frequency.
 - vii. Discussion with the Internal Auditors any significant findings and follow up thereon.
 - viii. Reviewing and monitoring the auditors Independence and performance and the effectiveness of the audit processes employed.
 - ix. To review and discuss the valuations of the undertakings or assets of the company, where necessary.
 - x. Where applicable, to monitor the end use of funds raised through public offers and related matters
 - xi. To discuss with Statutory Auditors/Internal Auditors the periodicity of Internal control systems and the nature and scope of audit as well as post audit discussion to ascertain areas of concern including observations of the Auditors.

2. Composition of Audit Committee, Names of Members and Chairman:

The present Audit Committee comprises of the following members of the Board.

Sr No	Name of the Member	Designation of the Member in the Audit Committee
1	Shri Ravindra Badaya, Independent Director	Chairman of the Audit Committee
2	Shri. Arvind Kumar, Director	Member of the Audit Committee
3	Smt. Parveen Gupta, Director	Member of the Audit Committee



RICHARDSON & CRUDDAS (1972) LTD

Your Board has to report that with cessation of Shri Ravindra Badaya, Independent Director from the Board, the Audit Committee presently consists of only two members viz Shri Arvind Kumar and Smt Parveen Gupta, Government nominees. On appointment of Independent Director, the Audit Committee and other sub committees of the Board will be reconstituted in accordance with the requirements of law.

14. AUDITORS:

M/s Jain & Jain, Mumbai has been appointed as Statutory Auditors of the Company for for the F.Y. 2018-19 as per CAG letter No. CA.V/COY/CENTRAL GOVT,RICHRD(1)/693 dated 16.08.2018

The qualifications made by Statutory Auditors have been extensively reviewed by the Audit Committee and based on the recommendations of the Audit Committee, the same have been considered by the Board and corrective actions are being taken wherever necessary.

The comments of the Comptroller and Auditor General of India, under Section 139 of the Companies Act 2013 along with Review of Accounts by CAG are annexed to this report.

15. DIRECTORS' RESPONSIBILITY STATEMENT:

In pursuant to the requirement under Section 134 of the Companies Act, 2013 with respect to director's Responsibility Statement, it is hereby confirmed:

- i. That the preparation of annual accounts for the financial year ended 31st March 2019, the applicable accounting standards have been followed with proper explanation. That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of the Company at the end of the financial year ended 31st March 2019 and of the profit and loss of the company for that period.
- ii. That the Directors had taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iii. That the Directors had prepared the annual accounts on a going concern basis.
- iv. That the Directors had devised a proper system to ensure Compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

16 EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARKS OR DISCLAIMER MADE BY THE AUDITORS IN HIS REPORT AND BY THE COMPANY SECRETARY IN PRACTICE IN HIS SECRETARIAL AUDIT REPORT

The qualifications/reservations/adverse remarks are covered in Annexure A hereto.



17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) IN THE PRESCRIBED FORM

There are no contracts or arrangements with related parties under section 188(1) of the Companies Act, 2013 and hence the clause is not applicable.

18. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes that have occurred affecting the Financial Position of the company.

19. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVE

Amount required to be spent for CSR activities - Rs.14.22 lacs (previous year Rs.0.82 lacs)

Amount actually spent for CSR activities - Rs. NIL (previous year - Rs.NIL)

20. RISK MANAGEMENT POLICY

Board has reviewed risk management policy time to time as per requirement basis.

21. CHANGES IN SHARE CAPITAL

The Company has not issued any Equity Shares during the year under review.

22. DISCLOSURE UNDER THE SEXUAL HARRASMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complain during the year 2018-19.



23. ACKNOWLEDGEMENT:

The Directors wish to express their thanks to various departments of the Central and State Governments, particularly the Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises for the co-operation extended by them. The Directors also express their gratitude to C&AG, Principal Director of Commercial Audit & Ex-officio Member, Statutory Auditors, Internal Auditors and the Bankers. The Directors are grateful to the valued customers for their continued patronage and support.

The Directors also wish to place on record their appreciation of the dedicated efforts put in by the employees at all levels.

For and on behalf of the Board of Directors

(AVINASH KUMAR VAJPEYI)
CHAIRMAN & MANAGING DIRECTOR,

Mumbai



RICHARDSON & CRUDDAS (1972) LTD

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019

The Members,

RICHARDSON AND CRUDDAS (1972) LIMITED

CIN NO:U28920MH1973GOI016389

Add: Sir. J.J. Road,

Byculla, Mumbai – 400 008.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RICHARDSON AND CRUDDAS (1972) LIMITED**. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **RICHARDSON AND CRUDDAS (1972) LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **RICHARDSON AND CRUDDAS (1972) LIMITED** for the financial year ended on 31st March 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -



- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. During the year 8% Preference Share aggregating to Rs. 2,326 Lakhs which were issued during the 1992-93 to the Government of India but have not been redeemed to date although the period of twenty year is over. We are informed that the terms and conditions for the issue of these Preference Shares have not been finalized to date by the Company with the Government of India and in the absence of required information the rate of dividend on these Preference Shares has been fixed at 8% per annum on non-cumulative basis as per past practice.
2. During the year there is balance due to/from various parties and government authorities which are subject to confirmation and reconciliation.
3. During the year there is some cases and litigation are pending against the Company which is subject to final order of the Honorable court and government authorities.

I further report that

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



RICHARDSON & CRUDDAS (1972) LTD

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Bipin Raje & Associates

Proprietor

COP No – 6147

Membership No. – 6092

Date – 31.08.2019

Place -Mumbai



RICHARDSON & CRUDDAS (1972) LTD

ANNEXURE A

To,

The Members,

RICHARDSON AND CRUDDAS (1972) LIMITED

Sir. J.J. Road,

Byculla, Mumbai – 400 008.

My Report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to be express on option on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examinations were limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Signature:

Bipin Raje & Associates

Proprietor

COP No - 6147

Membership No. - 6092

Date:- 31.08.2019



INDEPENDENT AUDITOR'S REPORT

To the Members of Richardson & Cruddas (1972) Limited
Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of **Richardson & Cruddas (1972) Limited**. ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the statement of Profit and Loss and statement of cash flows for the year ended as on that date, and notes to the standalone 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and Profit, and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We conducted our audit of standalone financial statements 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 Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone 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 Qualified opinion.

- 1. Reference to the Note No.29 of the Notes to accounts of the financial statements of the company, the financial statement of the company having been prepared on a going concern basis, notwithstanding the facts that its net worth is completely eroded. The appropriateness of the going concern basis is inter-alia dependent on the approval of the revival plan by the Government of India for the restructuring of the financial statements of the company.**
- 2. Reference to the Note No. 29 of the Notes to accounts of the financial statements of the company, Wherein Government of India has asked the company to convert the Loan of Rs10,177.52 Lacs into Equity and waiver of the Interest of Rs 42,481.16 Lacs. No Effect of this waiver of Interest has been given in the books of accounts of the company. The total Interest of Rs 43,478.39 Lacs on this Loan is still outstanding as on 31st March 2019.**



3. Reference to the Note No. 32 of the Notes to accounts of the financial statements of the company, there are balances due to / from various parties and government authorities (including of Trade Receivables, Trade Payables, Deposits, Statutory Dues, Loans and Advances and TDS Receivable) which are subject to the confirmation and reconciliation. All these balances are outstanding for more than three years. Company has made provision in the earlier years for these payables (which are still continuing in the books) but it has not been written off in the books of accounts.

Also it includes other claims receivables to the tune of Rs 56 Lacs for which no details and documents available with the company. These claims are pertains prior to FY 2001-02, these are against which cases have also not been identified. However company has created provision for the same in the books of accounts in the earlier year (which are still continuing in the books) but it has not been written off in the books of accounts.

This includes Work contract tax payable to the tune of Rs 15.29 Lacs for which no details and documents available with the company. These amounts pertain prior to FY 2008-09.

4. Reference to the Note No. 44 of the Notes to accounts of the financial statements of the company, there is a stock to the tune of Rs 33.62 Lacs which are with the third party which has been shown in the current assets in the financial statement. However company has not provided physical verification certificate for the same. Also inspection report has not been provided and third party confirmation letter has not been taken by the company. Company has created provision for the same in the earlier year (which are still continuing in the books) but it has not been written off in the books of accounts.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditor's Response
1	Company has given property on rent to Bharat Pump Limited, against which there is no rent has been booked in the books of accounts. Also no amount has been received from the party against rent	As per the information and explanation given to us, there was a dispute regarding the increase in the rent of the property. Hence invoice has been issue after finalizing the terms of agreement i.e. In may 2019. Therefore no income is booked during the financial year 2018-19



2	Company has earmarked fixed deposit with the government departments	Company does not have copy of such fixed deposit certificate. Neither have they had covering letter of that time when fixed deposit was handed over to the department. However, company received interest certificate from the bank against such fixed deposit, on these basis we can believe that the fixed deposit is on the company's name. It has been suggested to keep the copy of the certificate with the company.
3	Preference shares	Reference to the note no. 30 of the notes to accounts of the financial statements of the company, regarding 8% preference shares of the company aggregating to rs. 2,326 lacs which were issued during the 1992-93 to the government of India but have not been redeemed to the date although the period of twenty years is over. The terms and conditions for the issue of these preference shares have not been finalized to the date by the company with the government of India and in the absent of required information the rate of dividend on these preference shares has been fixed at 8% per annum on non-cumulative basis as per past practice.
4	Expenditure towards corporate social responsibility	Reference to the note no. 49 of the notes to accounts of the financial statements of the company, the company is required to spend amount of Rs 14.22 lacs towards the CSR activity. However company has not spent any amount towards the same.

Responsibility of the Management & Those Charged with Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flow of the Company in accordance with the Accounting Standard specified under section 133 of the Act and other accounting principles generally accepted in India. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

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" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by the section 143(5) of the Act, We Give in Annexure C a statement on the Direction/Sub direction issued by the Comptroller and Auditor General of India.

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

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.

- a. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- b. The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- c. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- d. On the basis of written representations received from the directors as on 31st March 2019 taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- e. With respect to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in "Annexure B";
- f. 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, 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 financial statements – Refer Note 28 to the financial statements;
 - ii) We are informed that the Company did not have any long-term contracts including derivatives contract for which there were any material foreseeable losses; and
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For JAIN & JAIN

Chartered Accountants

FRN : 103869W

Sagar Panchmatia

Partner

M No.: 187535

Place: Mumbai

Date: 31st Aug 2019

UDIN: - 19187535AAAAAE3960



Annexure A to the Independent Auditor's Report of even date to the members of Richardson & Cruddas (1972) Limited, on the financial statements for the year ended 31st March 2019

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- i. a) The Company has maintained records which needs to be updated to show the full particulars, including quantitative details and situation of fixed assets. The Fixed Assets register need to be reconciled with the balances shown in the financial statements.
- b) All the fixed assets have not been physically verified by the management during the year but we are informed by the management that there is a regular programme of verification of assets over a period of three years. In accordance with this programme, Fixed assets has been verified by the management and they have not found any material discrepancies. However in absence of any physical verification report and In the absence of reconciliation referred to in clause (i)(a) above, we are unable to ascertain whether all the fixed assets as per the financial statement has been verified under this verification programme.
- c) As per the information and explanation given to us, the title deeds of the immovable properties, as disclosed in the Fixed Assets Schedule to the financial statement, are held in the name of the company, except that he original title deed of the Ghatkopar flats are not available. Refer to Note No. 31 of the Notes to accounts of the financial statements of the company Property situated at Mulund which is a lease property was encumbered by the lessors by various charges including the one created favoring Bank of Maharashtra which impeded the purchase process by the Company. The matter is subjudice in the court.
- ii. a) In our opinion and according to the information and explanations given to us, physical verification of inventories has been conducted at reasonable intervals by the management.
- b) In our opinion and according to the information and explanations given to us, the procedures followed by the management for physical verification of inventory are reasonable and adequate in relation to the size of the Company and the nature of the business.
- c) the discrepancies noticed on verification between the physical stock and the book records were not material having regards to the size of the company and same have been properly dealt with in the books of accounts.



RICHARDSON & CRUDDAS (1972) LTD

- iii) According to the information and explanations given to us and on the basis of our examination of books of account, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clauses 3(iii)(a) and (iii)(b) and (iii)(c) of the said order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made and the Company has not provided any guaranty or security.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder. No order has been passed by the Company Law Board or National Company Law Tribunal, or Reserve Bank of India, or any Court, or any other Tribunal.
- vi) According to the information and explanations given to us, the company is required to maintain cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 as amended prescribed by the Central Government under sub – section (1) of Section 148 of the Act. We are informed that the requisite cost record are under preparation.
- vii)
- a. Undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, value added tax, Goods & Service Tax, cess and other material statutory dues, as applicable, have been regularly deposited to the appropriate authorities. However following qualifications has been identified

:

Name of the Statute	Nature of the Dues	Amount (₹. in lacs)	Period to which the amount relates
Finance Act, 1994	Service Tax – Chennai	20.43	Prior to 2010
Finance Act, 1994	Service Tax – Chennai	1.65	April 2017 to June 2017
Profession Tax Act	Profession Tax – Chennai	5.47	Prior to 2010
Income Tax Act, 1961	Tax deducted from Employees – Chennai	0.60	Prior to 2010
Employees' State Insurance Act, 1948	ESI – Chennai	4.66	Prior to 2010
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	EPF – Chennai	20.06	Prior to 2010



RICHARDSON & CRUDDAS (1972) LTD

Sales Tax Act	Sales Tax / Value Added Tax / Works Contract Tax – Chennai	3.89	Prior to September 2015
Municipal Taxes	Property Tax – Byculla	183.29	Prior to 2010

- b. According to the records of the company, as at 31st March 2019 and as per the information & explanation given to us, the following are the particulars of the disputed dues on accounts of Income Tax, Goods & Service Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty and VAT matters which have not been deposited :

Name of the Statute	Nature of Dues	Amount (₹. in lacs)	Period to which the amount relates	Forum where dispute is pending
Works Contract Tax	Works Contract Tax – Nagpur	1.79	1986-1989	Mumbai Tribunal
Works Contract Tax	Works Contract Tax – Nagpur	0.44	1989-1990	Mumbai Tribunal
Bombay Sales Tax Act, 1959	Bombay Sales Tax – Nagpur	0.97	1990-1991	Mumbai Tribunal
Bombay Sales Tax Act, 1959 / Central Sales Tax Act, 1956	Bombay Sales Tax / Central Sales Tax – Nagpur	0.65	1993-1994	Mumbai Tribunal
Bombay Sales Tax Act, 1959 / Central Sales Tax Act, 1956	Bombay Sales Tax / Central Sales Tax – Nagpur	11.79	2000-2001	Mumbai Tribunal
Central Sales Tax Act, 1956	Central Sales Tax – Nagpur	8.14	1997-1998	Nagpur Appeal
Central Sales Tax Act, 1956	Central Sales Tax – Nagpur	62.96	2002-2003	Nagpur Appeal
Customs Act, 1962	Custom Duty – Byculla	285.00	Prior to 2010	Mumbai
Sales Tax Act	Sales Tax – Byculla	173.68	Prior to 2010	Mumbai
Central Excise Act, 1944	Excise Duty – Byculla	101.08	Prior to 2010	Mumbai



RICHARDSON & CRUDDAS (1972) LTD

Income Tax Act, 1961	Income Tax	2.49	A.Y. 2009-2010	Income Tax Appellate Tribunal, Mumbai
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- viii) In our opinion, the Company has not defaulted in repayment of loans or borrowings to any financial institution or a bank or government or any dues to debenture-holders during the year.
- ix) To the best of our knowledge and belief and according to the information and explanation given to us, The Company has not raise moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) 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.
- xiii) According to the information and explanations given to us by the management, there are no related party transactions which are required to be disclosed in Financial Statements.
- xiv) According to the information and explanations give 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.
- xv) 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 them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For JAIN & JAIN

Chartered Accountants

FRNo.: 103869W

Sagar Panchmatia

Partner

M No.: 187535

Place: Mumbai

Date: 31st Aug, 2019

UDIN: - 19187535AAAAAE3960



ANNEXURE – ‘B’ TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF RICHARDSON & CRUDDAS (1972) LIMITED.

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

We have audited the internal financial controls over financial reporting of Richardsons & Cruddas (1972) Limited. ("the Company") as of 31st March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 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 ('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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, 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 31st March, 2019, 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.

Other matters

According to Guidance note issued by the ICAI, Company has to prepare and adopt SOP Matrix for the policies and procedure which needs to be followed by the company. The company has not maintained such matrix, however according to information and explanations given to us, all the transactions of the company have been approved by the appropriate authority and recorded by support staff.



RICHARDSON & CRUDDAS (1972) LTD

It has been informed that instead of hiring the employees, company is giving various tasks in accounts department etc. on contract basis. It has been suggested to adhere the defined standard and policies.

For JAIN & JAIN

Chartered Accountants

FRNo.: 103869W

Sagar Panchmatia

Partner

M No.: 187535

UDIN: - 19187535AAAAAE3960

Place: Mumbai.

Date: 31st Aug, 2019



RICHARDSON & CRUDDAS (1972) LTD

ANNEXURE – 'C' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF RICHARDSON & CRUDDAS (1972) LIMITED.

Report on the Direction/Sub direction issued by the Comptroller and Auditor General of India as per Section 143(5) of the companies Act, 2013 ("the Act").

Sr. No.	Direction/Sub-direction	Action Taken	Impact on the Financial Statements
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	As per the information & explanations given to us, The company has the System of maintaining all the accounting transactions are in Computerised System. No Accounting transactions are outside the IT System. However	No Impact on Financial Statement
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	We are informed that there are no significant cases of waiver of debts during the year under review. As per the process of the company, any waiver of the debt is accounted only with the approval of the competent Authority in line with the delegation of Authority. There is no Restructuring of the existing loan.	No Impact on Financial Statement
3.	Whether funds received / receivable for specific schemes from central / state agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.	As per the information and explanation given to us, there are no fund received / receivable by the company during the year under review.	No Impact on Financial Statement

For JAIN & JAIN

Chartered Accountants

FRNo.: 103869W

Sagar Panchmatia

Partner

M No.: 187535

Place: Mumbai.

Date: 31st Aug, 2019

UDIN: - 19187535AAAAAE3960



RICHARDSON & CRUDDAS (1972) LTD

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE FINANCIAL STATEMENTS OF RICHARDSON & CRUDDAS (1972) LTD, MUMBAI FOR THE YEAR ENDED 31 MARCH 2019

The preparation of Financial Statements of Richardson & Cruddas (1972) Ltd, Mumbai for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of the India under Section 139 (5) of the Act is responsible for the expressing opinion on the Financial Statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 31 August 2019.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the Supplementary Audit of the Financial Statements of Richardson & Cruddas (1972) Ltd, Mumbai for the year ended 31 March 2019 under section 143(6) (a) of the Act.

For and on behalf of the
Comptroller and Auditor General of India

(Roop Rashi)
Director General of Commercial Audit and
Ex-officio Member, Audit Board-I, Mumbai

Place: Mumbai

Date: 25 September 2019



RICHARDSON & CRUDDAS (1972) LTD

BALANCE SHEET AS AT 31.03.2019

(₹. in Lacs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share capital	2	15,661.05	15,661.05
(b) Reserves and Surplus	3	(40,630.15)	(42,923.84)
(c) Money received against share warrants		-	-
Share application money pending allotment			
Non-Current Liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		109.24	-
(c) Other Long - term Liabilities	4	626.92	549.56
(d) Long-term Provisions	5	65.23	69.10
Current Liabilities			
(a) Short-term borrowings		-	-
(b) Trade Payables :-	6	-	-
Total outstanding dues of micro enterprises and small enterprises		2.70	1.59
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,549.75	1,329.32
(c) Other current liabilities	7	44,984.65	45,167.09
(d) Short-term provisions	8	19.11	20.10
TOTAL		22,388.50	19,873.97
ASSETS			
Non-Current Assets			
(a) Property Plant and Equipment			
(i) Tangible assets	9	752.52	787.25
(ii) Intangible assets	9	0.09	0.15
(iii) Capital work-in-progress	9	-	-
(iv) Intangible assets under development	9	-	-
(b) Non-current assets		-	-
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	10	1,183.78	854.65
(e) Other non - current assets	11	8,058.70	2,400.82
Current Assets			
(a) Current investments		-	-
(b) Inventories	12	157.53	170.30
(c) Trade receivables	13	783.15	1,041.02
(d) Cash and cash equivalents	14	10,642.23	13,255.61
(e) Short-term loans and advances	15	93.87	92.28
(f) Other current assets	16	716.63	1,271.89
TOTAL		22,388.50	19,873.97

Significant Accounting Policies

1

The accompanying notes form an integral part of the Balance Sheet and should be read in conjunction therewith.

As per our Report of even date attached

For Jain & Jain

For and on behalf of Board of Directors

Chartered Accountants

Firm Registration No. 103869W

Sagar Panchmatia

Partner

Membership No. 187535

Place : Mumbai

Date : 31st August 2019

Director

Smt.

Parveen

Gupta

DIN :

06909226

Director

Shri Arvind Kumar

DIN : 06956955

Chairman & Managing Director

Shri Avinash Kumar Vajpeyi

DIN : 08137670

Sanjay Kumar Ojha
Chief Financial Officer

Place : Mumbai

Date : 31st August 2019

Pooja G. Shirodkar
Company Secretary & CPIO



RICHARDSON & CRUDDAS (1972) LTD

Statement of Profit and Loss for the year ended 31st March, 2019

(₹. in Lacs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Revenue from Operations			
(a) Sale of products	17	45.41	323.24
(b) Sale of services	18	1,266.28	1,435.78
(c) Other operating revenue	19	1,745.85	1,556.74
Other income	20	1,212.88	1,324.66
Total Revenue		4,270.42	4,640.42
Expenses			
Consumption of raw materials	21	33.38	290.76
Sub-contracting/Labour contracting expenses	22	1,146.22	1,328.57
Changes in inventories of finished goods, work in progress and stock in trade	23	49.87	59.07
Employees benefits expense	24	158.25	122.95
Finance costs		-	-
Depreciation and amortization expense	9	40.20	39.49
Other expenses	25	573.55	1,153.78
Total Expenses		2,001.47	2,994.62
Profit/(Loss) before extra-ordinary items & prior period adjustment		2,268.94	1,645.80
Less : Prior period items		(6.92)	-
Less : Extra ordinary items		116.12	-
Profit/(Loss) before tax		2,378.14	1,645.80
Less : Tax expense current year	26	84.44	-
Profit/(Loss) for the year after tax		2,293.70	1,646
Earnings per equity share (Basic and Diluted)	42	₹ 172.01	₹ 123.42
Significant Accounting Policies	1		

The accompanying notes form an integral part of the Statement of Profit and Loss and should be read in conjunction therewith.

As per our Report of even date attached

For Jain & Jain

For and on behalf of Board of Directors

Chartered Accountants

Firm Registration No.

103869W

Sagar Panchmatia

Director

Director

Chairman & Managing Director

Partner

Smt. Parveen Gupta

Shri Arvind Kumar

Shri Avinash Kumar Vajpeyi

Membership No. 187535

DIN : 06909226

DIN : 06956955

DIN : 08137670

Place : Mumbai

Date : 31st August 2019

Sanjay Kumar Ojha
Chief Financial Officer

Pooja G. Shirodkar

Company Secretary & CPIO

Place : Mumbai

Date : 31st August 2019



RICHARDSON & CRUDDAS (1972) LTD

Cash Flow Statement for the year ended 31st March, 2019

		(₹. in Lacs)	
PARTICULARS		As on 31-Mar-19	As on 31-Mar-18
A.	Net Profit / (Loss) before tax	2,378.14	1,645.80
	Interest Income	(1,132.03)	(1,127.54)
	Depreciation	40.20	39.49
	Operating Profit Before Working Capital Charges	1,286.31	557.75
	(Increase)/Decrease in Long term Loans & advances	(329.13)	(8.13)
	(Increase)/Decrease in Trade and Other Receivable	257.87	435.19
	(Increase)/Decrease in Inventories	12.77	67.27
	(Increase)/Decrease in Short term Loans & advances	(1.59)	299.05
	(Increase)/Decrease in Other Current Assets	(0.10)	(0.10)
	Increase/(Decrease) in Other Long Term Liabilities	77.36	(15.44)
	Increase/(Decrease) in Trade Payable & Provisions	221.54	58.46
	Increase/(Decrease) in Other current liabilities	(182.43)	49.41
	Increase/(Decrease) in Long Term Provisions	(3.87)	(10.52)
	Increase/(Decrease) in Short Term Provisions	(0.99)	0.66
	Increase/(Decrease) in Deferred tax liabilities	109.24	-
	Income Tax for the year	(84.44)	-
	Net Cash from Operating Activities : (A)	1,362.54	1,433.60
B.	Increase in Deposit Accounts (Term Deposits for more than 3 months but less than 12 months)	2,432.45	(4,251.39)
	(Increase)/Decrease in Other Non Current Assets	(5,657.88)	4,298.33
	Interest on Term Deposits	1,132.03	1,127.54
	(Increase)/Decrease in Interest Accrued on Bank FDR	555.36	(436.31)
	(Purchase)/Sales of Fixed Assets (net)	(5.43)	(5.25)
	Net Cash used in Investing Activities : (B)	(1,543.47)	732.92
C.	Increase/(Decrease) in Share Capital	-	-
	Net Cash flow from Financing Activities : (C)	-	-
	Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)	(180.93)	2,166.52
D.	CASH AND CASH EQUIVALENTS		
	Opening Balance	3,204.27	1,037.75
	Closing Balance	3,023.34	3,204.27
		(180.93)	2,166.52

Note

Particulars	Amount	Amount
Total cash & cash equivalents as appearing in Balance Sheet as per Schedule 3.	10,642.23	13,255.61
Other Bank Balances		
In Deposit Accounts (Term Deposits for more than 3 months but less than 12 months)	7,605.95	8,092.29
In Earmarked Accounts (Term Deposits for more than 3 months but less than 12 months)	12.94	1,959.05
	7,618.89	10,051.34
Cash and Cash equivalent as per AS - 3	3,023.34	3,204.27

Previous years figures have been regrouped/rearranged wherever necessary
As per our Report of even date attached

For Jain & Jain

For and on behalf of Board of Directors

Chartered Accountants

Firm Registration No. 103869W

Sagar Panchmatia

Director

Director

Chairman & Managing Director

Partner

Smt. Parveen Gupta

Shri Arvind
Kumar

Shri Avinash Kumar Vajpeyi

Membership No. 187535

DIN : 06909226

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DIN : 08137670

Sanjay Kumar Ojha
Chief Financial Officer

Pooja G. Shirodkar
Company Secretary & CPIO

Place : Mumbai

Place : Mumbai

Date : 31st August 2019

Date : 31st August 2019



Notes forming part of the financial statements for the year ended March 31, 2019.

Note 1: Significant Accounting Policies

a) **Basis of preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles ["GAAP"] in compliance with the provisions of the Companies Act, 2013. The Company has prepared these financial statements to comply in all material aspects with the Accounting Standards notified under section 133 of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year.

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from these estimates.

All assets and liabilities have been classified as Current or Non-Current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of the assets for processing and their realization in Cash and Cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of Current – Non-Current classification of its Assets and Liabilities.

b) **Property, Plant and Equipment**

Property, Plant and Equipment (PPE) are stated at cost less accumulated depreciation. All costs, including financing costs till commencement of commercial production, attributable to the PPE are capitalized. Interest on loans for PPE is capitalized upto the date of commissioning. Spares and tools purchased with the equipment are capitalized.

c) **Depreciation**

Depreciation on assets is provided on the straight-line method over the useful lives of assets as specified in Schedule II to the Companies Act, 2013. Depreciation for assets purchased / sold during the period is proportionately charged.



d) **Impairment of Assets**

The carrying value of fixed assets is evaluated whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

e) **Valuation of Inventories**

- i. Cost of raw materials, components, stores and spare parts are measured at cost price.
- ii. Cost of work-in-progress is determined on the basis of lower of cost or future billing without considering the cost of completion and unaccepted escalation claims. Cost means cost incurred.
- iii. Cost of finished goods is determined on the basis of lower of cost or net realizable value.
- iv. Cost of loose tools is determined on net realizable value.
- v. Cost of scrap is determined on net realizable value.

f) **Revenue Recognition**

- i. **Sale of Materials:** Sales are recognized on dispatch of materials. Sales includes sale of goods, services, scrap and excludes Goods and Services Tax. Sales under turn-key contracts are accounted on dispatch of materials and/or materials held under instruction of the customer.
- ii. **Project Income:** Project income is recognized to the extent of the works completed as certified by the Project Managers.
- iii. **Rental on leased assets** is accounted for from the commencement date, as prescribed in the lease agreement entered with the lessees.
- iv. **Price Escalation claims:** On acceptance of the claims by the customers.
- v. **Court Awards:** On receipt basis.



- vi. Contract costs comprises cost directly related to contract and other costs attributable and allocable to the contract activity in the period they are incurred and any expected loss reasonably estimated or recognized.
- vii. Claims for escalation on extra jobs done on Sales Contracts, Exports, Subsidy, Duty Drawback, Insurance, Railway Refund of Excise duty/Custom duty/Sales tax, Goods and Service tax etc. are accounted on actual basis on acceptance.
- viii. Construction contracts: Revenue is recognized /determined when contract revenue can be measured reliably and it is probable that the economic benefits will flow to the Company according to the stage of completion, dispatch of material and completion certificate given by the concerned authorized person (Project Manager).
- ix. Other operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.
- x. Interest income is accrued at applicable interest rate.

g) **Goods and Service Tax**

Goods and Service Tax on goods manufactured is accounted at the time of removal of goods from the factory and in case of materials held on customer's account, on billing basis. Excess liability if any is accounted on completion of assessment.

h) **Income Tax/ Deferred Tax**

Income Tax expenses comprises current tax and deferred tax expenses. The deferred tax assets and liabilities are calculated by applying tax rates and tax laws that have been enacted at the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amount of deferred tax assets are reviewed to re-assess realization.

i) **Foreign Currency Transactions**

- i. Initial Recognition: Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.



- ii. Conversion: Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and the exchange rates that existed when the values were determined.
- iii. Exchange Differences: Exchange differences arising on settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.
- iv. There is no foreign exchange transaction during the year.

j) Employee Retirement Benefits

Company's contributions to Provident Fund and National Pension Scheme are charged to the Statement of Profit and Loss. Gratuity and Leave Encashment Benefit are charged to the Statement of Profit and Loss on the basis of actuarial valuation.

k) Provisions and Contingent Liabilities

Provisions are recognized in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

l) Earnings Per Share

The Company reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard 20- Earnings Per Share.



RICHARDSON & CRUDDAS (1972) LTD

2 SHARE CAPITAL

(₹. in Lacs)

Particulars	As at	As at
	31.03.2019	31.03.2018
Authorised:		
14,00,000 (Previous year 14,00,000) Equity shares of Rs.1,000/- each	14,000.00	14,000.00
2,50,000 (Previous year 2,50,000) 8% Redeemable Non-cumulative Preference shares of Rs.1,000/- each.	-	-
	2,500.00	2,500.00
	16,500.00	16,500.00
Issued, Subscribed and Paid-up:		
13,33,505 (Previous year 13,33,505) Equity shares of Rs.1,000/-each	13,335.05	13,335.05
2,32,600 (Previous year 232,600) 8% Redeemable Non-cumulative Preference shares of Rs.1,000/- each.	-	-
	2,326.00	2,326.00
	15,661.05	15,661.05

Notes:

a) Reconciliation of Equity Shares outstanding at the beginning and end of the year

Particulars	As at	As at	As at	As at
	31.03.2019	31.03.2019	31.03.2018	31.03.2018
	No. of Shares	₹. in Lacs	No. of Shares	₹. in Lacs
Shares outstanding at the beginning of the year	13,33,505	13,335.05	13,33,505	13,335.05
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	13,33,505	13,335.05	13,33,505.00	13,335.05

b) Rights, Preferences and Restrictions attached to Shares

The Company has only one class of equity shares having a par value of Rs.1,000/-. Each shareholder is entitled to one vote per share held. In the event of Liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The Company has only one class of Redeemable Non-cumulative preference shares having a par value of Rs.1,000/-

c) Shares held by the Holding / Ultimate Holding Company and / or its subsidiaries / associates

The Company has no holding company or subsidiaries or associates of holding company.

d) Details of shareholder holding more than 5% of equity shares in the Company

Name of the Shareholder	As at	As at
	31.03.2019	31.03.2018
President of India (no. of shares)	13,33,505	13,33,505
(percentage of holding)	100%	100%



RICHARDSON & CRUDDAS (1972) LTD

e) **Details of shareholder holding more than 5% of preference shares in the Company**

Name of the Shareholder		As at 31.03.2019	As at 31.03.2018
President of India (no. of shares)		2,32,600	2,32,600
(percentage of holding)		100%	100%

f) **Aggregate number of Bonus Shares issued, shares issued for a consideration other than cash and shares bought back during the period of five years immediately preceding the previous year.**

In FY 1718, 10,17,752 shares of Rs.1000/- each was issued to President of India for a consideration other than cash by, conversion of loan into equity.

No shares have been bought back during the last 5 years.

g) **Unpaid Calls**

As per records of the Company, no calls remain unpaid by the Directors and Officers of the Company as on 31st March, 2019.

h) As per records of the Company, no shares have been forfeited by the Company during the year.

i) Terms of redemption of preference shares allotted during 1992-93 is yet to be finalised by the Government of India. (Refer Note No. 30)

3 RESERVES AND SURPLUS

Particulars	(₹. in Lacs)	
	As at 31.03.2019	As at 31.03.2018
Surplus / (Deficit) in the Statement of Profit and Loss		
Balance as at the beginning of the year	(42,923.85)	(44,569.64)
Add : Profit/(Loss) for the year	2,293.70	1,645.80
	(40,630.15)	(42,923.84)
4 OTHER LONG - TERM LIABILITIES		
Security Deposits received	599.67	521.94
Contractors Deposits	27.25	27.62
	626.92	549.56
5 LONG - TERM PROVISIONS		
Provision for Gratuity	37.40	46.60
Provision for Compensated Absences	20.70	15.37
Provision for Revision Pay Arrears	7.13	7.13
	65.23	69.10
6 TRADE PAYABLES		
Total outstanding dues of Micro and Small Enterprises	2.70	1.59
Total outstanding dues of Creditors other than Micro and Small Enterprises	1,549.75	1,329.32
	1,552.45	1,330.91



RICHARDSON & CRUDDAS (1972) LTD

7 OTHER CURRENT LIABILITIES

Interest accrued and due on GOI loan	43,478.39	43,478.39
Interest on 12.50% Richardson & Cruddas Ltd., Bond holders	45.91	45.91
Railway Siding Rent Payable	9.40	9.40
Deposits from Contractors and Others	169.24	174.47
Property Tax and Water Tax Payable	13.57	186.98
Other Liabilities	753.92	720.39
Other Payables		
VAT, Service Tax and Works Contract Tax	15.30	16.95
Tax deducted at Source (IT)	9.28	10.61
Tax deducted at Source (GST)	6.04	-
Goods and Services Tax	29.26	49.62
Provident Fund and Other Employee deductions	3.36	5.22
Salary and Reimbursements		
Employees Benefits Payable	6.63	7.24
Employees Benefits Payable (old)	30.39	30.39
Bonus Payable	-	7.16
Advances from Customers	369.30	399.30
Advance Rentals	44.66	25.06
	44,984.65	45,167.09

8 SHORT - TERM PROVISIONS

Provision for Gratuity	18.64	19.93
Provision for Compensated Absences	0.47	0.17
	19.11	20.10



RICHARDSON & CRUDDAS (1972) LTD

9 PROPERTY, PLANT AND EQUIPMENT		(₹. in Lacs)								
Particulars	GROSS BLOCK			DEPRECIATION / AMORTIZATION				NET BLOCK		
	As at 01.04.2018	Additions	Deductions / Adjustments	As at 31.03.2019	Upto 01.04.2018	For the year	Adjustments/ Deductions	Upto 31.03.2019	As at 31.03.2019	As at 01.04.2018
(i) Tangible Assets										
1) Freehold Land / Leasehold Land (Refer Note No. 31)	106.44	-	-	106.44	7.89	-	-	7.89	98.55	98.55
Leasehold Land at MIDC, Chiplun	1.19	-	-	1.19	1.19	-	-	1.19	-	-
Leasehold Land at MIDC, Nagpur	0.99	-	-	0.99	0.99	-	-	0.99	-	-
Freehold Land at T T B	0.65	-	-	0.65	-	-	-	-	0.65	0.65
	109.27	-	-	109.27	10.07	-	-	10.07	99.20	99.20
2) Buildings, Roads, Walls, Terrace, Water-supply, Drainages	1,027.71	-	-	1,027.71	540.86	15.14	-	556.00	471.71	486.85
3) Railway Sidings	0.03	-	-	0.03	0.03	-	-	0.03	-	-
4) Plant and Machinery	1,471.51	-	-	1,471.51	1,405.34	3.59	-	1,408.93	62.58	66.17
Less : Provision for Impairment of Assets	(74.62)	-	-	(74.62)	(69.84)	-	-	(69.84)	(4.78)	(4.78)
5) Furniture and Fixtures	138.81	2.98	-	141.79	61.99	9.57	-	71.56	70.23	76.82
6) Vehicles	49.99	-	-	49.99	34.45	3.52	-	37.97	12.02	15.54
7) Office and Miscellaneous Equipments	53.39	1.76	-	55.15	39.15	4.38	-	43.53	11.62	14.24
8) Electrical Installations	34.45	-	-	34.45	3.27	3.29	-	6.56	27.89	31.18
9) Data Processing Equipments	45.69	0.68	-	46.37	43.67	0.65	-	44.32	2.05	2.02
Total Tangible Assets	2,856.23	5.42	-	2,861.65	2,068.99	40.14	-	2,109.13	752.52	787.24
(ii) Intangible Assets										
1) Computer Software	0.17	-	-	0.17	0.02	0.05	-	0.07	0.10	0.15
Total Intangible Assets	0.17	-	-	0.17	0.02	0.05	-	0.07	0.10	0.15
TOTAL	2,856.40	5.42	-	2,861.82	2,069.01	40.19	-	2,109.20	752.62	787.39
PREVIOUS YEAR	2,711.11	162.70	17.41	2,856.40	2,046.08	39.49	16.56	2,069.01	787.39	
(iii) Capital Work-in-Progress										
Less : Provision for Capital Work-in-Progress									414.46	414.46
									414.46	414.46
(iv) Intangible assets under development										
	-	-	-	-	-	-	-	-	-	-

Notes:

- In absence of full particulars in regard to the cost of land and building to Richardson & Cruddas Ltd. (1972), it has not been possible to show separately the cost of freehold and leasehold land and building (pertains to Byculla & Mulund Unit).
- Building includes cost of shares in Co-operative societies - Rs. 0.13 Lacs.
- In respect of leasehold land at Mulund unit, the Company has exercised the option in 1975 to purchase the reversionary rights on payment of Rs. 18.50 Lacs. Accordingly, the conveyance has been completed in respect of the undivided share of two lessors out of the undivided share of four lessors of leasehold land. Accordingly, the same will be capitalised at the time of execution of the conveyance deed. The Company has filed a specific suit against two lessors who have sold their shares in the undivided leasehold land to a third party.

10 LONG - TERM LOANS AND ADVANCES

Particulars	(₹. in Lacs)	
	As at 31.03.2019	As at 31.03.2018
(i) Other Advances		
Unsecured, considered good	0.80	0.80
Doubtful (Refer Note No. 31d)	133.95	133.95
Less: Provision for doubtful advances	(133.95)	(133.95)
	0.80	0.80
(ii) Advance to Suppliers		
Unsecured, considered good	16.62	5.61
Doubtful	834.04	834.29
Less: Provision for doubtful advances	(834.04)	(834.29)
	16.62	5.61
(iii) Advance to Employees		
Doubtful	5.56	5.56
Less: Provision for doubtful advances	(5.56)	(5.56)
	-	-
(iv) Advances to sub-contractors		
Unsecured, considered good	-	-
Doubtful	30.60	30.60
Less: Provision for doubtful advances	(30.60)	(30.60)
	-	-
(v) Claims and other recoverable		
Doubtful	56.16	56.16
Less: Provision for doubtful claims	(56.16)	(56.16)
	-	-
(vi) Deposits		
Unsecured, considered good	56.05	29.17
Doubtful	73.44	73.44
Less: Provision for doubtful deposits	(73.44)	(73.44)
	56.05	29.17
(vii) Balances with Government authorities		
(a) Excise Duty		
Unsecured, considered good	1.00	1.00
Doubtful	17.52	17.52
Less: Provision for doubtful advances	(17.52)	(17.52)
	1.00	1.00
(b) Service Tax		
Unsecured, considered good	-	-
Doubtful	18.15	18.15
Less: Provision for doubtful advances	(18.15)	(18.15)
	-	-
(c) Income Tax / TDS (Net of MAT provision of Rs. 24.80 Lacs (Previous Year Rs. 24.80 lacs)		
Unsecured, considered good	925.23	723.21
Doubtful	0.42	0.42
Less: Provision for doubtful advances	(0.42)	(0.42)
	925.23	723.21
(d) MAT Credit Entitlement (Income Tax)		
Unsecured, considered good	109.24	-
(e) Sales tax / VAT		
Unsecured, considered good *	74.84	94.86
Doubtful	12.54	12.54
Less: Provision for doubtful advances	(12.54)	(12.54)
* assessment pending	74.84	94.86
	1,183.78	854.65



RICHARDSON & CRUDDAS (1972)

PARTICULARS	(₹. in Lacs)	
	As at 31.03.2019	As at 31.03.2018
11 OTHER NON - CURRENT ASSETS		
Term Deposits with original maturity more than 12 months from the Balance Sheet date		
- In Deposit Accounts	8,058.20	2,330.75
- In Earmarked Accounts	0.50	70.07
	8,058.70	2,400.82
12 INVENTORIES (Valued at lower of cost or net realisable value)		
Raw Materials and Components	27.22	35.47
Work-in-Progress	110.00	118.65
Finished Goods	7.24	24.67
Loose Tools	0.11	0.11
Scrap	12.96	36.76
	157.53	215.66
Less : Provision for Inventories	-	45.36
	157.53	170.30
13 TRADE RECEIVABLES		
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment.		
Unsecured, Considered good	376.86	667.86
Doubtful	4,779.24	4,806.82
	5,156.10	5,474.68
Less : Provision for Doubtful Trade Receivables	4,779.24	4,806.82
	376.86	667.86
Other Trade Receivables	406.29	373.16
	783.15	1,041.02
Particulars of Trade Receivables:		
1) Trade Receivables considered good for which the Company holds no security.	783.14	1,041.02
2) Trade Receivables considered doubtful and provided for	4,779.24	4,806.82
3) Trade Receivables considered doubtful and not provided for	-	-
	5,562.38	5,847.84
14 CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Cash on hand	0.18	0.20
Balances with Banks		
- In Current Accounts	490.68	660.60
- In Deposit Accounts (Term Deposits for less than 3 months)	2,532.48	2,446.28
- In Earmarked Accounts (Term Deposits for less than 3 months)	-	97.19
	3,023.34	3,204.27
Other Bank Balances		
- In Deposit Accounts (Term Deposits for more than 3 months but less than 12 months)	7,605.95	8,092.29
- In Earmarked Accounts (Term Deposits for more than 3 months but less than 12 months)	12.94	1,959.05
	7,618.89	10,051.34
	10,642.23	13,255.61
15 SHORT - TERM LOANS AND ADVANCES		
(i) Advances to employees		
Unsecured, considered good	0.27	0.72
Doubtful	0.66	0.66
Less: Provision for doubtful advances	(0.66)	(0.66)
	0.27	0.72
(ii) Recoverable from Former Chairman and Managing Director		
Unsecured, considered good	2.63	2.63
(iii) Advances to suppliers		
Unsecured, considered good	51.87	48.53
(iv) Advance to others		
Unsecured, considered good	28.03	28.09
(v) Prepaid expenses		
Unsecured, considered good	0.59	2.75



RICHARDSON & CRUDDAS (1972)

PARTICULARS		As at 31.03.2019	(₹. in Lacs) As at 31.03.2018
(vi)	Balances with Government authorities		
(a)	Income Tax / TDS		
	Unsecured, considered good	1.31	1.31
	Doubtful	0.08	0.08
	Less: Provision for doubtful advances	(0.08)	(0.08)
		<u>1.31</u>	<u>1.31</u>
(b)	Sales tax / VAT		
	Unsecured, considered good	-	1.60
(c)	Goods and Services Tax		
	Unsecured, considered good	9.17	6.65
		<u>93.87</u>	<u>92.28</u>
16	OTHER CURRENT ASSETS		
	Interest Accrued on Deposits		
	With Banks	716.32	1,271.68
	With Others	0.31	0.21
	Stock with Third Party (Refer Note No. 45)	33.63	33.63
		<u>750.26</u>	<u>1,305.52</u>
	Less : Provision	33.63	33.63
		<u>716.63</u>	<u>1,271.89</u>
Notes forming part of the financial statements for the year ended 31.03.2019			
17	SALE OF PRODUCTS		
	Sale of Structural	45.41	336.95
	Less : Excise Duty	-	(13.71)
	Total	<u>45.41</u>	<u>323.24</u>
18	SALE OF SERVICES		
	Job Work executed	1233.22	1386.48
	Testing charges	33.07	49.30
	Total	<u>1266.29</u>	<u>1435.78</u>
19	OTHER OPERATING REVENUE		
	Scrap Sales		
	Scrap Sales	25.59	54.15
	Rental Income (includes TDS Rs. 140.82 lacs (Previous Years Rs. 102.38 lacs)	1720.26	1502.59
		<u>1745.85</u>	<u>1556.74</u>
20	OTHER INCOME		
	Interest Income		
	From Bank (Includes T.D.S Rs. 98.01 lacs, Previous year Rs 53.87 lacs)	1132.03	1127.54
	On Income Tax Refund	-	36.79
	On Sales Tax Refund	1.92	-
	Deposits	0.11	-
	Profit on sale of property, Plant and Equipment (Net)	-	12.02
	Provision no long required, written back	73.19	92.53
	Miscellaneous Receipts	5.62	15.71
	Excess interest on GOI loan Written back	-	40.07
		<u>1212.87</u>	<u>1324.66</u>
21	CONSUMPTION OF RAW MATERIALS		
	Raw Materials and Components		
	Opening Stock	35.47	98.86
	Add: Purchases	25.12	227.37
		<u>60.59</u>	<u>326.23</u>
	Less : Closing Stock	27.22	35.47
	Consumption of Raw Materials	<u>33.37</u>	<u>290.76</u>
22	SUB CONTRACTING / LABOUR CONTRACTING EXPENSES		
	Sub-Contracting and Labour Contracting expenses	1,146.22	1,328.57
		<u>1,146.22</u>	<u>1,328.57</u>



RICHARDSON & CRUDDAS (1972)

Particulars	(₹. in Lacs)	
	As at 31.03.2019	As at 31.03.2018
23 CHANGES IN INVENTORIES		
CLOSING BALANCE		
Finished goods	7.24	24.67
Work-in-Progress	110.00	118.65
Scrap and Loose Tools	13.07	36.87
	130.31	180.19
(A)		
OPENING BALANCE		
Finished goods	24.67	21.25
Work-in-Progress	118.65	233.50
Scrap and Loose Tools	36.87	18.14
	180.19	272.89
(B)		
Work in Progress transferred to Other Current Assets	-	33.63
(B- A - C)	49.88	59.07
24 EMPLOYEES BENEFITS EXPENSE		
Salaries, Wages and Allowances	114.22	71.73
Gratuity	(2.00)	3.40
Compensated Absences	9.29	5.92
Bonus	0.35	15.36
Contribution to P.F, F.P.F., E.S.I.C.:	18.02	15.33
Employees' welfare and other amenities:		
Medical Reimbursement	12.98	3.44
Leave Travel Concession	0.03	-
Other Benefits	5.36	7.77
	158.25	122.95
25 OTHER EXPENSES		
A) MANUFACTURING EXPENSES:		
Consumption of stores and spares	0.47	0.38
Power and Fuel (Net)	72.96	55.00
Repairs and Maintenance		
- Building	-	3.90
- Plant and Machinery	21.60	15.97
- Others	-	0.01
Other Manufacturing expenses	11.72	50.23
B) ADMINISTRATION EXPENSES:		
Rates and Taxes	40.71	69.71
Office Power	1.19	1.82
Commission and Brokerage	-	1.99
Insurance	0.69	1.29
Payment to Auditors (including branch auditors)		
- Audit Fees	1.50	1.50
- Tax Audit Fees	1.50	1.50
Printing and Stationary	3.12	4.71
Postage, Courier and Telephone	2.39	3.78
Travelling and Conveyance	23.99	38.33
Legal and Professional charges	126.34	140.78
Bank Charges	0.44	1.23
Security Expenses	113.29	84.77



RICHARDSON & CRUDDAS (1972)

PARTICULARS	(₹. in Lacs)	
	As at 31.03.2019	As at 31.03.2018
Repairs and Maintenance		
- Flats	3.51	12.09
- Furniture and fixtures	2.51	2.86
- Admin Building	0.04	199.04
- Computer	0.06	0.07
- Other	22.36	33.27
Penalty on Statutory Payments	-	0.56
Interest on late payment of Statutory dues	4.10	1.53
Interest to others	20.68	0.01
Service Tax	-	0.43
Excise Duty	-	0.85
MVAT	-	0.12
Sundry balances written off	16.22	0.09
Directors Sitting Fees	1.05	0.63
Claims against company	56.28	149.90
Statutory Payments of Earlier Years	6.61	-
Other Expenses	13.99	36.36
C) SELLING EXPENSES		
Advertisement and Publicity	3.29	3.38
Entertainment Expenses	0.93	0.29
D) PROVISIONS		
Provision for Doubtful Debts	-	93.44
Provision for Doubtful Rent	-	-
Provision for Doubtful Advances	-	108.33
Provision for Other Current Assets	-	33.63
	573.54	1,153.78
26 Tax Expenses :		
Current Tax	84.44	-
	84.44	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

27. Richardson and Cruddas (1972) Limited was incorporated under the Indian Companies Act, 1956 as a Government Company on 15th day of March, 1973. The Company took over assets and liabilities of Richardson and Cruddas Limited through an act of Parliament called Richardson & Cruddas Limited (Acquisition and Transfer of undertaking) Act, 1972 on 15th day of March, 1973 in the name of Richardson & Cruddas (1972) Limited.

	(₹. In Lacs)	
	2018-19	2017-18
A. Estimated amount of contracts remaining to be executed on Capital Account and not provided for	Nil	Nil

	2018-19	(₹. In Lacs) 2017-18
B. Contingent Liabilities in respect of		
a. Demands from Sales Tax Authorities disputed by the Company which are under appeal	260.43	260.43
b. Demands from Central Excise Authorities disputed by the Company which are under appeal	101.08	101.08
c. Demands from Custom Authorities disputed by the Company which are under appeal	285.00	285.00
d. Demands from Provident Fund Authorities disputed by the Company	152.37	152.37
e. Demands from Income Tax Authorities disputed by the Company which are under appeal	2.49	146.81
f. Claims against the Company not acknowledged as debt	2,782.12	2850.85
Total	3,583.49	3796.54

These contingent liabilities are exclusive of interest payable, if any, on the claim(s)/demand(s).

29. Despite carried forward losses and erosion of equity, the financial statements are continued to be prepared on a 'going concern basis'. At present operations of the Company are continuing at all the Units and Corporate Office. As at March 31, 2019, the Company had cash and cash equivalents of Rs.10,642.23 lacs (Previous Year Rs. 13,255.61 lacs). The Company has been successful in managing its business operations. Also the Board of Directors consider that it is appropriate for the accounts to be prepared on a going concern basis. The Company had received an Unsecured Loan of Rs. 10,177.52 lacs in the earlier years from the Government of India (GOI), the sole shareholder of the Company, carrying interest rate in the range of 14.50% to 22.25% (including penal interest). During the year 2016-17, GOI had asked the Company to convert this Loan of Rs. 10,177.52 lacs into equity and had also waived the Interest accrued thereon amounting to Rs. 42,481.16 lacs as on March 31, 2016. The Company has made a representation to GOI to also convert this Interest amount of Rs. 42,481.16 lacs into Equity. However to date, no response has been received from GOI to the Company's request. Pending final decision of GOI, an amount of Rs. 43,478.39 lacs being Interest payable on the above loan as per the Company's books of account has been shown as Interest payable to GOI as on March 31, 2019 under "Other Current Liabilities". The matter is followed up regularly.
30. In respect of paid up share capital as disclosed in Note No. 2, 8% Preference Share capital is Rs. 2,326 lacs (Previous Year Rs 2,326 lacs) the terms and conditions for issue and redemption of these preference shares issued during 1992-93 are yet to be finalized by the Company with the sole preference shareholder - Government of India. In the absence of required information, the rate of dividend on these preference shares is considered at 8% per annum on non-cumulative basis as per past disclosure.

31. In respect of freehold and leasehold properties of the Company:

- a. The Company has 36.88 acres of land at Mulund comprising of 23.38 acres of freehold land and 13.50 acres of leasehold land. Out of freehold land 7.18 acres has been encroached by Municipal Corporation of Greater Mumbai (MCGM) and 3 acres by slum dwellers, aggregating to 10.18 acres.

MCGM was approached several times in the past to vacate the encroachment. MCGM vide letter dated August 13, 2008 conveyed the outcome of the decision of its “group leader meeting” that they cannot part with the land under their possession but if Government of Maharashtra agrees, the admissible FSI (Transfer of Development Right-TDR) of the land under their possession can be granted to the Company.

During the meeting held on September 3, 2009 at Udyog Bhavan, New Delhi, the Secretary, Dept. of Heavy Industry stated that the land encroached by MCGM and slum dweller falls within the purview of State Government and hence suggested to consider granting admissible FSI/TDR to the Company for the total land under encroachment. Additional Chief Secretary, Govt. of Maharashtra agreed to support the proposal and stated that it will be taken up with the Dept. of Urban Development and Housing Department to consider granting of admissible FSI/TDR for the 10.18 acres of land. Meanwhile, the Company has given formal request to the Commissioner, MCGM, Mumbai vide letter R&C/CMD/MCGM/09-10 dated January 19, 2010 for grant of admissible TDR/FSI to the Company for the total land under encroachment. Since then, there is no further progress in the matter.

- b. The immovable properties of Mulund Works of the Company include leasehold land admeasuring 36,087 sq.mtrs. The lease was for a specific period and during the currency of lease the Company had an option to exercise purchase of reversionary rights which the Company exercised in the stipulated time and completed conveyance of half of the property that stood in the name of other two lessors. However the other half of the lease property was encumbered by the lessors by various charges including the one created favouring Bank of Maharashtra which impeded the purchase process by the Company. Subsequently, the legal heirs of lessors and others deliberately to scuttle the process of sale wrongfully transferred the property to third party. The Company has filed suit for specific performance bearing No 3572 /2006 against the lessors and others in the Bombay High Court and the matter is subjudice.
- c. Original documents of title to freehold and leasehold properties are available with the Company. In respect of Flats at Ghatkopar, the work of collecting Share Certificates from the Managing Committee of the CHS is under progress. The Management has also obtained certified copy of Deed of Modification and Confirmation of Agreement for Sale dated September 18, 1982 pertaining to Ghatkopar Flats from the Registrar Office, Mumbai.

d. The Byculla Works of the Company are situated on leasehold land presently belonging to the Collector of Mumbai. The lease tenure has expired between 1974 to 2003. The Collector of Mumbai is in the process of revising its policy in respect of Government lands leased out and renewal of expired leases. The Collector of Mumbai has raised a demand of Rs.992.30 lacs which has been disputed by the Company. However, pending the final decision, the Company has deposited Rs.120 lacs with the Collector of Mumbai, which has been grouped under 'Long Term Loans and Advances' and it is fully provided for. The balance amount has been shown under contingent liability. Meanwhile, Collector, Mumbai sent a letter on July 8, 2013 to exercise an option from following two options:

- I. Conversion of lease hold land into occupant class-2 by occupation right.
- II. Renewal of lease for 30 years w.e.f. January 1, 2012 with revision of rental every 5 years at the prevailing market value as per ready reckoner.

The Company exercised an option for conversion of above land into occupant class-2. The application of the Company has since been rejected. The land at Byculla's under attachment by the Collector as per their letter dated October 7, 2016. Against the order of attachment, the Company has filed Writ Petition (No 633 of 2017) and the matter is sub judice at present.

e. The Company has fixed assets on the leased premises at the Byculla and Mulund Works. The lease of the premises has expired and pending the final outcome of the Company's litigation/negotiations in respect of the same, no impairment is assessed on the fixed assets at the leased premises and depreciation on these assets is provided as per the Company's policy. In the opinion of the Company, relying on independent valuation report of July 2013, as the value of assets is more than the carrying value, no further impairment is deemed necessary in accordance with the Accounting Standard AS-28.

32. Balances due to/from parties (including of Trade Receivables, Trade Payables, Deposits, Statutory Dues, Loans and Advances and TDS Receivable) are subject to confirmation and reconciliation, if any, with the parties. Claims receivable from Government authorities include refunds and amounts that may be available for future adjustment dependent on applicable audit, assessment or evaluation.

Further, the Company does not have full and complete particulars and records relating to old outstanding balances with respect to capital work-in-progress, certain inventories, debtors, creditors, other receivables and payables (including advances received and advances given) and contingent liabilities/litigation claims. Provision has been made for debit balances that are considered doubtful of recovery in consistence with past practice. In respect of old sundry creditors and other liabilities, in the opinion of the management, status quo needs to be maintained.



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The necessary adjustments, if required, will be made when the accounts are reviewed, reconciled and settled. The effect, thereof, if any, on the financial statements is not presently ascertainable.

33. In the opinion of the Board all assets other than fixed assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated except for reconciliation, adjustments in respect of some of the payables and receivables.
34. The Company has complied with the guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, Government of India on March 21, 2010. However, the tenure of Independent Director has ended on May 03, 2019. No independent Director is on the board of the company w.e.f May 03, 2019.

35. Details of Foreign Currency Transactions

Particulars	March, 2019	March, 2018
	₹. in lacs	₹. in lacs
a) Earnings in Foreign Currency	-	-
b) Expenditure in Foreign Currency	-	-

36. The Company is engaged in only one business segment and therefore segment reporting as envisaged in AS-17 is not applicable to the company. There are no reportable geographical segments.
37. As the Company has made a profit during the year provision for Minimum Alternate Tax (MAT) liability is done as per provisions of Income Tax Act 1961 and accordingly deferred tax liability has been created as per AS-22.
38. Except in case of one Supplier, the Company has not received any information from the suppliers regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 and hence disclosures regarding
- Principal amount and the interest due thereon remaining unpaid to any suppliers as at the end of accounting year;
 - Interest paid during the year;
 - Amount of payment made to the supplier beyond the appointed day during accounting year;
 - Interest due and payable for the period of delay in making payment;
 - Interest accrued and unpaid at the end of the accounting year; and

f. Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise have not been given.

The Company is making efforts to get the confirmations from the suppliers as regard to their status under the said Act.

39. Employee Benefits:

a. Short Term Employee Benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences etc., and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

b. Long Term Employee Benefits:

i. The Company has recognized the following amounts in the Statement of Profit and Loss under the head Company's Contribution to Provident Fund and other Funds:

Rs. in lacs

Particulars	Current Year	Previous Year
Provident Fund	18.02	15.33
	18.02	15.33

ii. Details of Gratuity Plan are as follows:

A. Amount recognized in the Balance Sheet

Rs. in lacs

Particulars	Current Year	Previous Year
Present value of Defined Benefit Obligation	56.04	66.52
Net Liability recognized in the Balance Sheet and included under Provisions	56.04	66.52

B. Expenses recognized in the Statement of Profit and Loss

₹. in lacs

Particulars	Current Year	Previous Year
Current Service Cost	1.93	2.93
Interest on Defined Benefit Obligation	4.32	4.24
Net Actuarial Losses/(Gains) recognized in the Year	(7.33)	(3.77)
Total included in Employee Benefits Expense	(1.08)	3.39

C. Reconciliation of Benefit Obligation and Plan Assets for the period

₹. in lacs

Particulars	Current Year	Previous Year
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	66.52	67.80
Current Service Cost	1.93	2.93
Interest Cost	4.32	4.24
Actuarial Losses/(Gains)	(7.74)	(3.77)
Past Service Cost	0.00	0.00
Benefit paid	(8.05)	(4.67)
Closing Defined Benefit Obligation	56.99	66.52
Change in Fair Value of Assets		
Opening Fair Value of Assets	-	-
Contributions by Employer	8.05	4.67
Benefits paid	(8.05)	(4.67)
Closing Fair Value of Plan Assets	-	-

D. Experience Adjustments

Defined Benefit Obligation	56.99	66.52
Surplus/(Deficit)	(56.99)	(66.52)

E. Summary of Actuarial Assumptions

Discounted rate (per annum)	6.50%	6.50%
Salary Escalation Rate (Per annum)	7.50%	7.50%
Retirement Age	58 years	58 years
Mortality Rates	Indian Assured Lives (2006-08). Ultimate Mortality Rate	Indian Assured Lives (2006-08). Ultimate Mortality Rate
Withdrawal Rate	1%	1%

40. Basis for calculation of Basic and Diluted Earnings Per Share is as follows:

Particulars		Current Year	Previous Year
Net Profit/(Loss) after Tax	Rs. in Lacs	2293.70	1,645.80
Weighted Average No. of Equity Shares outstanding	Nos.	13,33,505	13,33,505
Basic and Diluted Earnings Per Share	(Rs.)	172.01	123.42
Face Value Per Share	(Rs.)	1000	1000

41. As per Accounting Standard -18 on Related Party Disclosure issued by the Institute of Chartered Accountant of India, related party information as identified and certified by Management is as under: -

a) List of Related Parties: -

Key management personal (KMP)

Sr.No	Name of Related Party	Relationship
1	Mr. Avinash Kumar Vajpeyi	CMD
2	Mr. Sanjay Kumar Ojha (w.e.f 5/12/2018)	Chief Financial Officer
3	Mr. Shrikant Umikar (till 31/10/2018)	Chief Financial Officer

Transaction during the year with related parties: -

Sr. No	Nature of Transaction	Rs. in lacs	
		2018-19	2017-18
1	Remuneration		
	Mr. Avinash Kumar Vajpeyi	Nil	Nil
	Mr. Sanjay Kumar Ojha	4.43	Nil
	Mr. Shrikant Umikar	15.68	6.65

42. Particulars	March, 2019		March, 2018	
	%	₹. in lacs	%	₹. in lacs
a) Value of Imported Raw Materials and Components consumed	-	-	-	-
Value of Indigenous Raw Materials and Components consumed	100	33.42	100	290.76
b) C.I.F. Value of Imports	-	-	-	-

43. Certain expenses were incurred during the earlier years by the former Chairman and Managing Director, which as per the Management were not for the purpose of the business of the Company. Accordingly, an amount of Rs. 2.63 lacs has been shown as Recoverable from him for which there is no confirmation.

44. Stock with third party of Rs.33.63 lacs represents excess work done (only labour) for NBPPL, Mannavaram and provision is made for the same.

45. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

46. **Note on Disinvestment**

DHI vide letter no. 4(6)/2005-PE.IV dated 06.01.2018 conveyed that Union Cabinet in its meeting held on 21.09.2016 considered the cabinet note dated 09.09.2016 and gave in principle approval to offer units at Chennai and Nagpur for strategic disinvestment as per extant guidelines of NITI Aayog and Department of Investment and Public Asset Management (DIPAM)

Accordingly, the Management vide its letter dated 12.02.2018 has sought clarification from DHI whether:

1. Nagpur and Chennai Units are to be offered for sale through the process of strategic disinvestment as envisaged in DIPAM guidelines or
2. The units are to be hived off by sale/disposal of movable and immovable assets including land.

Clarification on the above is awaited from DHI.

47. Details of Earmarked Fixed Deposits are as under: -

(₹. in Lacs)

Particulars	Mumbai	Nagpur	Chennai	Total
Other Non – Current Assets				
FD with SBI (against OD)				
FD with SBI (against Lien)			0.50	
Total			0.50	0.50
Cash & Bank Balances				
Other Bank Balances – Term Deposits for more than 3 months but less than 12 months				
FD with SBI (against OD)	6.00			
FD with SBI (against Lien)			0.55	
FD with SBI (against Lien)			5.00	
FD with SBI (against Lien)			0.90	
FD with SBI (against Lien)			0.50	
Total				12.94
Grand Total	6.00	0.00	6.94	13.44



RICHARDSON & CRUDDAS (1972)

48. Details of major cased shows as claims not Acknowledged as Debts are as under: -

Name of the Party	Reasons	Amount (₹.in Lacs)
Pay Revision arrears	Matter with DHI	200.00
Kirloskar Elect. Co.	Delayed Delivery/Performance (Demand notice received from party)	150.00
Central Railway	License fee for Railway, siding land (Demand notice received from party)	297.68
Collector of Mumbai	Lease Rent (net off Rs.120.00 Lacs Advance Paid) (Demand notice received from party)	872.30
Kaithal Sugar Mills Ltd, Haryana	For setting up 2500 TCD sugar plant. (Matter in High Court)	250.00
SBI - Employees PF Trust	Overdue Interest payment on Bonds (Less of Provision - Rs. 45.58 Lac) (Demand notice received from party)	217.64

49. Disclosure for Expenditure towards Corporate Social Responsibility

Amount required to be spent for CSR activities – Rs.14.22 lacs (previous year Rs.0.82 lacs)

Amount actually spent for CSR activities – Rs. NIL (previous year – Rs.NIL)

50. Long term loan and advances includes “Other Claims receivable” to the tune of Rs.56.12 lacs in Mumbai books of accounts for which details are not available. The amount pertains to period prior to March 2001. However, provision has been made for the said amount.

Other Current Liabilities include Rs.15.29 lacs payable for Works Contract Tax in Books of Nagpur, detail for which is not available. The amount pertains to period prior to 2009.

As per our report of even date attached

For Jain & Jain
Chartered Accountants
Firm Registration No. 103869W
Sagar Panchmatia
Partner
Membership No. 187535
Place : Mumbai
Date : 31st August 2019

For and on behalf of Board of Directors

Director
Smt. Parveen Gupta
DIN : 06909226

Director
Mr. Arvind Kumar
DIN : 06956955

Chairman & Managing Director
Mr. Avinash Kumar Vajpeyi
DIN : 08137670
Pooja G. Shirodkar
Company Secretary

Sanjay Kumar Ojha
Chief Financial Officer
Place: Mumbai
Date: 31st August 2019



RICHARDSON & CRUDDAS (1972) LTD

TEN YEAR DIGEST

Sr. No.	Particulars	2018-19	2017-18	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010
1	Value of Production	1,261.82	1,699.95	2,075.67	2,021.90	5,316.37	6,270.34	7,118.91	7,331.31	8,619.88	8,411.14
2	Gross Sales	4,220.54	4,581.35	4,649.50	5,009.62	9,359.51	8,359.70	8,397.71	8,328.77	9,153.63	9,169.54
3	Cost of Sales	1,179.59	1,619.33	1,822.66	1,732.41	4,736.22	5,489.10	6,285.48	5,914.18	6,599.68	6,393.59
4	Gross Profit/(Loss) before Interest & Depreciation	2,418.34	1,685.29	1,596.97	2,184.69	2,990.75	1,959.82	1,339.51	1,573.69	1,019.42	512.21
5	Depreciation	40.2	39.49	77.73	80.74	251.63	61.33	64.65	69.28	68.96	70.44
6	Gross Profit/(Loss) before Interest	2378.14	1,645.80	1,519.24	2,103.95	2,739.12	1,898.49	1,274.86	1,504.41	950.46	441.77
7	Interest :										
	a) Government	-	-	-	3,110.49	3,103.58	2,281.27	4,221.71	3,124.72	3,093.96	3,086.07
	b) Others	-	-	-	-	-	-	2.16	5.89	11.54	93.36
8	Profit Before Tax	2,378.14	1,645.80	1,519.24	(1,006.54)	(364.46)	(382.78)	(2,949.01)	(1,626.20)	(2,155.04)	(2,737.66)
9	Provision for Tax	84.44	-	24.80	-	-	-	-	-	-	-
10	Profit After Tax	2,293.70	1,645.80	1,494.44	(1,006.54)	(364.46)	(382.78)	(2,949.01)	(1,626.20)	(2,155.04)	(2,737.66)
11	Gross Block	2,861.82	2,856.40	2,711.11	2,534.63	2,737.62	2,897.29	3,220.16	3,205.16	3,205.03	3,143.55
12	Net Block	752.62	787.40	665.06	516.22	557.11	719.89	757.90	807.55	875.76	883.09
13	Working Capital	(34,162.80)	(30,687.01)	(36,631.28)	12,047.62	9,932.99	7,108.36	5,174.92	4,074.24	2,538.58	863.76
14	Long Term Loans		-	-	52,658.68	49,555.27	46,451.86	44,170.59	39,954.04	36,902.14	33,779.93
15	Short Term Loans (Incl. Cash Credit)		-	-	-	-	-	-	-	44.82	63.46
16	Share Capital	15,661.05	15,661.05	15,661.05	5,483.53	5,483.53	5,483.53	5,483.53	5,483.53	5,483.53	5,483.53
17	Reserves			-	-	-	-	-	-	-	-

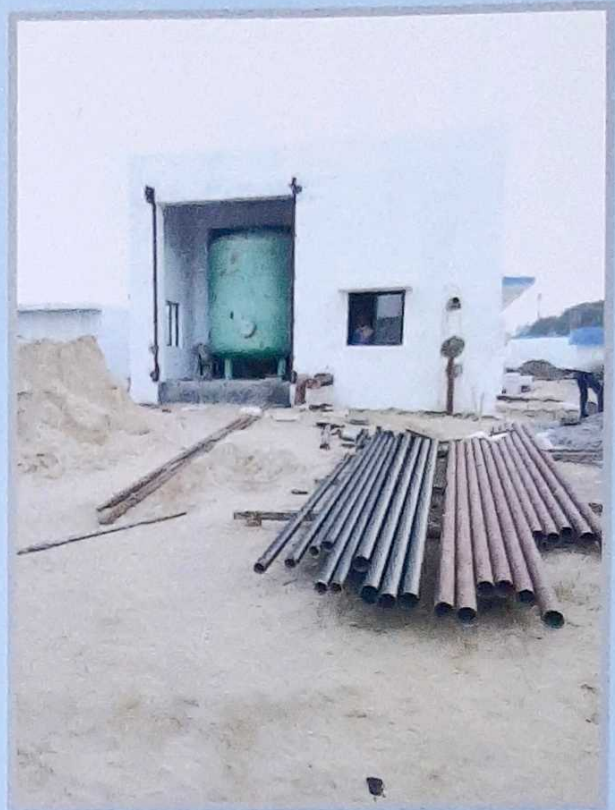


RICHARDSON & CRUDDAS (1972) LTD

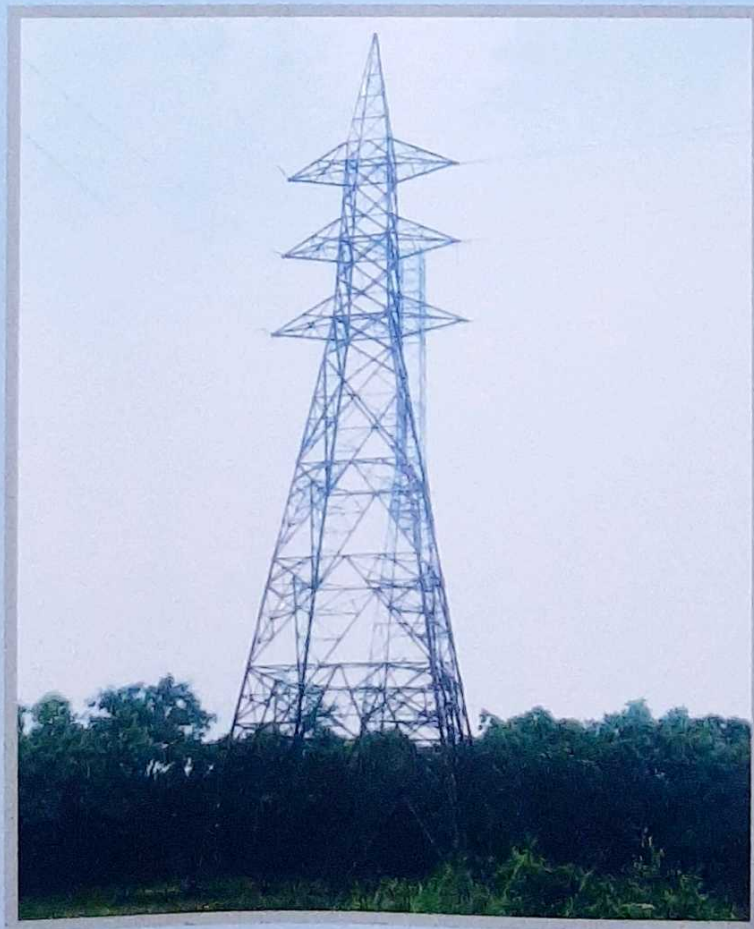
Sr. No.	Particulars	2018-19	2017-18	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010
18	Capital Employed	(33,410.18)	(29,899.61)	(35,966.22)	12,563.84	10,490.10	7,828.25	5,932.82	4,881.79	3,414.34	1,746.85
19	Net Worth	(24,969.10)	(27,262.79)	(28,908.59)	(40,580.55)	(39,574.01)	(39,209.55)	(38,826.77)	(35,877.76)	(34,251.57)	(32,096.54)
20	Cumulative Loss	(40,630.15)	(42,923.84)	(44,569.64)	(46,064.08)	(45,057.54)	(44,693.08)	(44,310.30)	(41,361.29)	(39,735.10)	(37,580.07)
21	Value Added	9.27	25.62	186.97	220.25	519.80	639.40	676.86	1,229.38	1,817.13	1,850.97
22	Salaries, Wages & Benefits	158.25	122.95	153.25	118.49	110.79	143.22	155.97	209.26	199.48	190.27
23	Value Added Per employee	1.03	2.85	17.00	13.77	32.49	29.06	19.91	24.59	30.80	30.85
24	Contribution to Exchequer	84.44	13.71	100.32	28.64	93.23	59.74	160.57	130.57	470.49	500.80
25	Internal Resources Generation	-	-	-	-	-	-	-	-	-	-
26	Export Incl. Deemed exports	-	-	-	-	-	-	-	-	-	-
27	No. of Employees	10	9	11.00	16	16	22	34	50	59	60
28	Value Added Per Rupee of wages	0.06	0.21	1.22	1.86	4.69	4.46	4.34	5.87	9.11	9.73
29	Salary & Wages to Sales	26.67	37.26	30.34	42.28	84.48	58.37	53.84	39.80	45.89	48.19
30	Material consumption to Production	1.07	1.05	1.14	1.17	1.12	1.14	1.13	1.24	1.31	1.32
31	Inventory to No. of days to Production	49	37	42	19	7	6	11	12	11	14
32	Sundry Debtors to No of days to Turnover	90	83	116	150	80	107	104	127	117	144



**COLLECTION SUMP
FOR 2.5 MLD SEWAGE TREATMENT PLANT
CLIENT: PARADEEP PORT TRUST**



**PUMP ROOM SHORT SIDE
FOR 2.5 MLD SEWAGE TREATMENT PLANT
CLIENT: PARADEEP PORT TRUST**



**220 kv DCTYPE TB
CLIENT: POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD.**



Richardson & Cruddas (1972) Limited

(A Govt. Of India Undertaking)

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