

ROYAL CUSHION VINYL PRODUCTS LIMITED

**35th
ANNUAL REPORT
2018-19**

ROYAL CUSHION VINYL PRODUCTS LIMITED

(CIN No. - L24110MH1983PLC031395)

www.rcvp.in

BOARD OF DIRECTORS

Mr. Mahesh K Shah	Chairman & Managing Director
Mr. Jayesh A Motasha	Director
Mrs. Harsha Shah	Director
Mrs. Avani Pandit	Director

AUDITORS

M/s. Bipin & Co.

Chartered Accountants
30,4, Sumangal Chamber, Jamboo Bet
Dandia Bazaar, Vadodara – 390 001.

REGISTERED OFFICE

60 CD, Shlok Govt. Indus. Estate
Charkop, Kandivali (West),
Mumbai – 400 067
Tel: 022 28603514/16

FINANCIAL INSTITUTION / BANKS

Axis Bank Ltd

REGISTRAR & TRANSFER AGENTS

M/s Universal Capital Securities Private Limited

Unit: Royal Cushion Vinyl Products Limited
21, ShakilNiwas, Mahakali Caves Road,
Andheri (East), Mumbai 400 093
Tel: 28366620/ 28257641/62920
Fax : 28211996

WORKS

Plot no. 55, Village, Garadhia
TalukaSavli, Dist. Vadodara
Gujarat – 391520
Tel: 02667 – 251674 / 73

Contents	Page No.
Notice	1-12
Directors' Report	13-32
Management Discussion & Analysis Report	33
Corporate Governance Report	34-44
Auditors' Report	45-51
Balance Sheet	52
Profit and Loss Account	53
Statement of Changes in Equity	54
Cash Flow Statement	55-56
Notes Forming Part of the Financial Statement	57-84
Route MAP	85
Proxy Form	86
Form for Furnishing PAN and Bank Details	87-88

Annual Report 2018-2019

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **35th ANNUAL GENERAL MEETING** of the Members of **ROYAL CUSHION VINYL PRODUCTS LIMITED** will be held on Monday, 30th September, 2019 at 12.30 pm at the Conference Room, 2nd Floor, 60 CD "SHLOK", Govt. Industrial Estate, Charkop, Kandivali (West), Mumbai 400 067, to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31st, 2019 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jayesh Motasha (DIN 00054236) who retires by rotation and being eligible, offers himself for re- appointment.

SPECIAL BUSINESS:

3. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 180(1)(a), 188 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) read with the Companies (Meeting of Board and its Powers) Rules, 2014 as amended, the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the provisions of the Memorandum and Articles of Association of the Company, and such other approvals, consent and permission being obtained from the appropriate authorities to the extent applicable and necessary, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell / transfer / alter / mortgage / lease / dispose off its existing land admeasuring 60 acres along with building admeasuring 200000 sq. ft. situated at Plot No. 55,68 & 37P Village Garadhia, Taluka Savli, Dist Vadodara, Gujarat held by the Company ("Undertaking"), with or without underlying liabilities, contracts, permissions and consents, rights, registrations, in relation to the Undertaking, on an "as is where is" basis or in any other manner either in whole or in part to any entity(ies) as may be determined by the Board for a consideration not less than ₹ 25 crores (Rupees Twenty Five crores only) subject to certain adjustments in case of partial disposal, as agreed between the parties in terms of the definitive agreements as may be entered into between the Company and prospective buyer.

RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to finalize and execute necessary documents including but not limited to definitive Agreements or deeds of assignment / conveyance or any other ancillary documents, in such manner as decided by the Board and to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the Undertaking as they may in their absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company with power to delegate to any Officers of the Company or Mr. Suvrat Shah, Authorised Signatory to execute any documents, arranging delivery and execution of contracts, deeds, agreements and instruments.

4. **To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:**

"RESOLVED THAT pursuant to recommendation and approval of Nomination and Remuneration committee and approval by the Board of Directors at their respective meetings held on August 20th, 2019 and pursuant to the provisions of Sections 196, 197, 198, 203 read with schedule V and other applicable provisions of the Companies Act, 2013 pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

Annual Report 2018-2019

including any statutory modification (s) or re-enactments thereof for the time being force and any subsequent amendment/modification in the Rules, Act and all applicable laws in this regard, the approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Mahesh K. Shah (DIN: 00054351), as Managing Director of the Company for a period of 3 years effective from April 1st, 2020 up to March 31st, 2023 and to his remuneration, benefits and amenities as Managing Director will be in accordance with the terms and conditions as mentioned in Item No. 4 of the Explanatory Statement appended below and specifically approved, with the powers of the Board of Directors and/ or the Nomination and Remuneration to alter, amend, vary and modify the terms and conditions of the said re- appointment and remuneration payable from time to time as they deem fit in such manner and within the limits as mentioned in Item no. 4 of the explanatory statement, notwithstanding that such remuneration may not exceed the limits specified under section 197 and schedule V of the Act in any financial year during his tenure;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary or expedient to give effect to this resolution."

5. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** Mrs. Harsha Mukesh Shah (DIN:08386011) who was appointed as an Additional Director by the Board of Directors with effect from March 11th, 2019 under section 161 of the Companies Act, 2013 (Act) and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her Candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mrs. Harsha Mukesh Shah (DIN:08386011) an Independent Non Executive Director of the Company, who has submitted a declaration that she meets the criteria of Independence as provided in section 149(6) of the Companies Act, 2013 not liable to retire by rotation, to hold office for a period of five years consecutive from March 11th, 2019 to March 10th, 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary or expedient to give effect to this resolution."

6. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** Mrs. Avani Jolly Pandit (DIN:08386003) who was appointed as an Additional Director by the Board of Directors with effect from March 11th, 2019 under section 161 of the Companies Act, 2013 (Act) and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her Candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mrs. Avani Jolly Pandit (DIN:08386003) an Independent Non Executive Director of the Company, who has submitted a declaration that she meets the criteria of Independence as provided in section 149(6) of the Companies Act, 2013 not liable to retire by rotation, to hold office for a period of five years consecutive from March 11th, 2019 to March 10th, 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary or expedient to give effect to this resolution."

7. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

Annual Report 2018-2019

"RESOLVED THAT in supersession of the earlier resolutions passed in this regard and pursuant to the provisions of section 188 and other applicable provisions, if any of the Companies Act, (Meeting of Board and its powers) Rules, 2014 and provisions of Regulation 23(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force) ("LODR Regulations") as applicable and subject to such approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company to enter into contracts/transactions with M/s. Natroyal Industries Private Limited, a related party, on such terms and conditions as may be mutually agreed upon, for availing or rendering services, purchase or sale of goods or materials or taking or giving the property on lease or provision of any other services, upto INR 180 Crores per annum with effect from April 1st, 2019."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transactions with the Related Party, and make such changes to the terms and conditions as may be considered necessary, expedient or desirable and execute such addendum agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this resolution in the best interest of the Company."

**BY ORDER OF THE BOARD
For Royal Cushion Vinyl Products Limited**

**Mahesh Shah
Chairman and Managing Director
(DIN 00054351)**

Place:-Mumbai
Date: August 29th, 2019

Registered Office:

Royal Cushion Vinyl Products Limited
SHLOK, 60 CD, Govt. Industrial Estate,
Charkop, Kandivali (West), Mumbai - 400 067
CIN No. - L24110MH1983PLC031395
Website: www.rcvp.in

NOTES:

- a. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND & VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF, AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- b. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable .A proxy form is attached herewith.
- c. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- d. An Explanatory Statement under Section 102 of Companies Act, 2013 relating to the Special Business to be transacted

Annual Report 2018-2019

at the Meeting is annexed hereto.

- e. The Register of Members and Share Transfer books of the Company will remain closed from Tuesday, September 24th, 2019 to Monday, September 30th, 2019 (both days inclusive) for the purpose of Annual Book Closure.
 - f. Members/ proxies should bring the attendance slips duly filled in for attending the meeting.
 - g. In case of Joint Holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per Register of Members will be entitled to vote.
 - h. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to Universal Capital Securities Private Limited, Registrar and Share Transfer Agent of the Company.
 - i. Members desiring any information on the Accounts are requested to write to the Company at least one week before the Meeting so as to enable the management to keep the information ready at the Meeting.
 - j. Members holding shares in physical form are requested to notify any change in their address including pin code, bank mandate, etc. to the Company's Registrar and Transfer Agent, M/s. Universal Capital Securities Private Limited. Members holding shares in electronic form are requested to furnish details for change/ updation to their respective Depository Participant.
 - k. Members holding shares in the dematerialize form are requested to register/update their e-mail address with the concerned Depository participant. Members holding shares in physical form are requested to register/update their e -mail address with the registrar and share transfer agents of the Company. Alternatively, Members may intimate the email address at **M/s. Universal Capital Securities Private Limited**, Unit: Royal Cushion Vinyl Products Limited., **21, Shakhil Niwas, Mahakali Caves Road, Andheri (East), Mumbai 400 101. Tel No. 022 28257641, 022 28207203.**
 - l. Applicable listing fees for the financial year 2019-20 have been paid to BSE Ltd.
 - m. Pursuant to SEBI circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, members whose ledger folios have incomplete details with respect to PAN and/or Bank particulars are mandatorily required to furnish these details to the Company/RTA for registration in the folio. The Company has sent separate communication to all the members whose aforesaid details were not updated. You are requested to kindly update your PAN and/or complete Bank details so that the investments held by you are in compliance with the aforementioned circular.
 - n. **VOTING THROUGH ELECTRONIC MEANS (E-VOTING):**
 - 1. In accordance with applicable provisions of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Section 108 of the Companies Act, 2013, read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended (the Rules), the members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by Central Depository Services (India) Ltd. (CDSL) on all resolutions set forth in this Notice.
 - 2. The voting right of shareholders shall be in proportion to one vote per fully paid equity share of the Company held by them as on the cut-off date September 23rd, 2019.
 - 3. The voting period begins on Friday the 27th day of September, 2019 at 9.00 a.m. and will end on Sunday, the 29th day of September, 2019 at 5.00 p.m. During this period shareholders¹ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date being 23rd September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently.
-

Annual Report 2018-2019

4. Mrs. Padma Loya, of M/s. Loya & Associates., Practicing Company Secretaries (Membership No:25349; COP No:14972) has been appointed by the Board of Directors of the Company, as the Scrutinizer to scrutinize the remote e-voting process and voting cast by member through poll at Annual General Meeting in a fair and transparent manner.
5. Members may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
6. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
7. The instructions for shareholders voting electronically are as under:
 - (i) The voting period begins on Friday, the 27th day of September, 2019 at 9.00 a.m. and will end on Sunday, the 29th day of September, 2019 at 5.00 p.m. (both days inclusive). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) being 23rd September, 2019 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders-Login
 - (iv) Now Enter your User ID and password.
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number which is mentioned in address label as sr no affixed on Annual Report, in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DIVIDEND BANK DETAILS OR DATE OF BIRTH (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

Annual Report 2018-2019

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the Electronic Voting Sequence Number (EVSN) for the relevant Royal Cushion Vinyl Products Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2019. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and remote e-voting manual available at www.evotingindia.com, under help section or write an email to
-

Annual Report 2018-2019

helpdesk.evoting@cdslindia.com.

(xxi) In case of members receiving the physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:

- a) Please follow all steps from sl. no. [i] to sl. no. [xx] above, to cast vote.
- b) Mrs. Padma Loya, of M/s. Loya and Associates., Practicing Company Secretaries (Membership No. 25349, COP No. 14972) has been appointed by the Board of Directors of the Company, as the Scrutinizer to scrutinize the remote e-voting process and voting cast by member through poll at Annual General Meeting in a fair and transparent manner.
- c) Members who do not have access to remote e-voting facility may send duly completed Ballot Form (sent along with the Notice) so as to reach the Scrutinizer appointed by the Board of Director of the Company, Mrs. Padma Loya, of M/s. Loya and Associates., Practicing Company Secretaries, C/o. Universal Capital Securities Pvt. Ltd. Unit: Royal Cushion Vinyl Products Limited, 21, Shakil Niwas, Mahakali Caves Road, Andheri [East], Mumbai - 400 093, not later than Thursday, September 26th, 2019 (5.00 p.m.).

A Member can opt for only one mode of voting i.e. either through remote e-voting or by Ballot. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and Ballot shall be treated as invalid.

(xxii) The results of remote e-voting shall be declared by the Chairman on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.rcvp.in within three (3) days of passing of the resolution at the AGM of the Company and communicated to the stock exchanges.

PROFILE OF DIRECTORS BEING APPOINTED/RE-APPOINTED

Pursuant to regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of Secretarial Standard -2 on General Meeting issued by the Institute of Company Secretaries of India, the particulars of Directors who are proposed to be appointed/ reappointed are given below.

Particulars	Mr. Mahesh K. Shah	Mr. Jayesh A. Motasha	Mrs. Harsha Mukesh Shah	Mrs. Avani Jolly Pandit
DIN	00054351	00054236	08386011	08386003
Date of Birth	01/04/1950	09/08/1957	28/07/1957	16/12/1982
Qualification & Experience	Master degree in Science (Organic Chemistry) and was a Rank holder from Mumbai University	Bcom Graduate from Mumbai University	BA in English Literature and Indian culture	Diploma in designing and Art
Expertise in specific functional area	He has a rich and versatile experience of 45 years. He was Ex- Chairman of PLEXCOUNCIL and Member in Managing Committee of PLASTINDIA FOUNDATION. He was also past president of PLASTINDIA FOUNDATION and APEX BODY OF Plastic Association.	He has a vast and varied experience in all functions of the Company including production, financial, commercial and allied areas.	She has vast and varied experience as entrepreneur in tour and travel management.	She has vast and varied experience in designing and development of art work.
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	---	---	---	---

Annual Report 2018-2019

Directorship held in other companies	No	He is Director in Royal Spinwell Private Limited	No	No
Membership / Chairmanships of Committees of other India Companies	-	He is a Chairman in Stakeholder Relationship Committee and Member in Audit Committee and Nomination and Remuneration Committee.	She is the Member in Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee	She is a Chairperson of Audit Committee and, Nomination and Remuneration Committee and Member of Stakeholder Relationship Committee
No. of Shares held in the Company as in 31st March, 2019	39450	26800	Nil	Nil
Date of appointment on the Board	21/11/1983	21/11/1983	11/03/2019	11/03/2019
Number of meetings of the Board attended during the financial year 2018-19	8	7	1	1

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out material facts relating to the business under Item Nos. 3 of the accompanying Notice.

Note : 3

In line with the strategic directions outlined by the Board of Directors ("the Board") of the Company, the Board at its meeting held on 29/08/2019 approved the sale of part of land and buildings at Garadhia Plant by way of sale/transfer/ lease etc. as may be deem fit by the Board of Company to any prospective buyers which may be in interest of the Company.

Under the aforesaid circumstances, with an objective to improve the financial health and long term viability of the Company's business by reduction of debt, pursuant to the recommendation of the audit committee, the board of directors at its meeting held on 29/08/2019 approved the sale / transfer / alter / mortgage / lease / dispose off part of existing land and building situated at survey no. 55, 68 and 37P at Garadhia, Gujarat held by the Company ("Undertaking"), with or without underlying liabilities, contracts, permissions and consents, rights, registrations, in relation to the Undertaking, on an "as is where is" basis or in any other manner either in whole or in part to any prospective buyers as may be determined by the Board for a consideration not less than ₹ 25 Crores (Rupees Twenty Five crores only) subject to certain adjustments in case of partial disposal, as agreed between the parties in terms of the definitive agreements as may be entered into between the Company and prospective buyer(s).

The Company has manufacturing facilities at Garadhia spread over 69 acres of the land. Currently 9 acres of land is being used for manufacturing activities and storage of materials. Approx. 60 acres of Land is available as surplus and vacant Building of 200000 sq.ft. The sale / transfer / alter / mortgage / lease / dispose off will not have any adverse impact on the production of the Company

As per Section 180(1)(a) of the Companies Act, 2013, the Board of Directors of the Company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially whole of the undertaking of the Company, only with the consent of the Company by as Special Resolution. As per explanation to section 180(1)(a) of the Companies Act, 2013 ("Act"), since the investment in land and buildings exceeds twenty percent of the net worth (being negative) of the Company during the previous financial year ended March 31st, 2019, consent of the members would be required by way of a Special Resolution to sale and transfer the said land and building.

Annual Report 2018-2019

The Board of Directors recommends the resolution as set out in the accompanying Notice for the approval of members of the Company as a Special Resolution.

None of the directors and/or key managerial personnel of the Company and/or their relatives are concerned or interested in these resolutions.

Note No. 4

The Board of Directors of your Company has reappointed Mr. Mahesh K. Shah as the Managing Director for a period of three years with effect from 01st April, 2020, subject to the approval of Members of the Company at the 35th Annual General Meeting, and subject to all other applicable approvals.

He is a rank holder in M.Sc (Organics) from Mumbai University. He was also past President of PLASTINDIA FOUNDATION an APEX BODY of Plastic Association of India. He was also Managing Committee Member for 20 years for PLASTINDIA FOUNDATION and Ex- Chairman of PLEXCOUNCIL (PLASTIC EXPORT PROMOTION COUNCIL).

Your Company is in the process of reappointing Mr. Mahesh K. Shah to act as a Managing Director of the Company under section 196, 197 and 203 of the Companies Act, 2013.

The Nomination & Remuneration Committee at their meeting held on 14th August, 2019 and Board of Directors of the Company in their meeting held on 20th August, 2019 had approved (subject to the approvals of the Members of the said Company) the following terms and conditions or remuneration payable to Mr. Mahesh K. Shah for a period of three years w.e.f. 1st April, 2020.

Mr. Mahesh K. Shah be appointed as Managing Director of the Company with effect from 1st April, 2020 to 31st March, 2023. The Company shall pay to Mr. Mahesh K. Shah in consideration of the performance of his duties as Managing Director, the following Remuneration.

- a. Salary ₹ 75,000/- per month
- b. Other Perks Company will give other perk such as H.R.A, Reimbursement of Electricity, medical expenses, Leave travel allowances and Other perks to the extent of ₹ 50,000/- p.m
- c. Leave As per rules of the Company
- *d. Gratuity As per rules of the Company
- *e. Provision of for use on Company's business Cars & Telephones and telephones at residence. Personal long distance calls shall be billed by the Co to Mr. Mahesh K. Shah
- *f. Provident fund Contribution to Provident Fund and Superannuation fund to the extent these singly or put together are not taxable under the Income Tax Act.
- g. Personal Accident For self and family Insurance
- h. Minimum Notwithstanding the above where in any financial year during the currency of the term of office as Managing Director, the Company has made no profits or its profits are inadequate, the Company will pay the same remuneration as minimum remuneration by way of salary and other and perquisites to the extent of ₹1,25,000/- per month.
- * The perquisites shall be evaluated as per the actual cost or Income Tax Rules, as applicable.
- * Mr. Mahesh K. Shah as long as he functions as a Managing Director shall not be paid any seating fees for attending meetings of the Board of Directors or Committee thereof.
- * The Agreement shall be terminable at any time either party by giving 3 months' notice of such termination without assigning any reason and neither party will have any claim by reason of such termination. In any event the Managing Director shall not be entitled to any compensation in cases mentioned in Section 202 of the Companies Act, 2013.

None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

Note : 5

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mrs. Harsha Mukesh Shah (DIN: 08386011) as an Additional Director of the Company and also Independent Director not liable to

Annual Report 2018-2019

retire by rotation, for a term of 5 consecutive years from 11th March 2019 upto 10th March, 2024.

Pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company, Mrs. Harsha Mukesh Shah holds office of the Director upto the date of this Annual General Meeting (AGM) and is eligible to be appointed as a Director. The Company has, in terms of section 160(1) of the Act, received in writing a notice from a Member, proposing he candidature for the office of Director. Mrs. Harsha Mukesh Shah aged 62 years is BA in English Literature and Indian culture by profession.

She has varied years of experience as an entrepreneur in tour and travel management. She has a capacity of understanding person with a human touch and pro-actively solving the problems. The Company is currently incurring losses, in order to still keep motivating the employees; the Company is taking various initiatives for the motivations. Her experience will help in this.

She is not a Director in any of the Company and not holding any equity shares of the Company.

Mrs. Harsha Mukesh Shah is not debarred from holding the office of Director by virtue of any SEBI order or order by Competent authority.

The Company has received a declaration from Mrs. Harsha Mukesh Shah that she meets the criteria of Independence as prescribed under Listing Regulations.

In opinion of the Board, Mrs. Harsha Mukesh Shah fulfills the conditions specified under the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 16(1)(b) of the listing Regulations for her appointment as Independent Director of the Company and is independent of the management.

In Compliance with the provisions of section 149, read with schedule IV of the Act and Regulation 17 of SEBI, Listing Regulations, the appointment of Mrs. Harsha Mukesh Shah as an Independent Director is now being placed before the Members for their approval.

Copy of the letter for appointment of Mrs. Harsha Mukesh Shah as an Independent Director setting out the terms and conditions of her appointment would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (11.00 am to 1.00 pm) on any working day.

Details of the number of Board Meetings held and attended by him during his tenure as Director of the Company are given in the Corporate Governance Report.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Mrs. Harsha Mukesh Shah as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment Mrs. Harsha Mukesh Shah as Director/ Independent Director for the approval by the shareholders of the Company.

Except Mrs. Harsha Mukesh Shah being an appointee herself and her relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives, are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.5.

This explanatory statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of The Institute of Company Secretaries of India.

Note :6

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mrs. Avani Jolly Pandit (DIN: 08386003) as an Additional Director of the Company and also Independent Director not liable to retire by rotation, for a term of 5 consecutive years from 11th March, 2019 upto 10th March, 2024.

Pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company, Mrs. Avani Jolly Pandit

Annual Report 2018-2019

holds office of the Director upto the date of this Annual General Meeting (AGM) and is eligible to be appointed as a Director. The Company has, in terms of section 160(1) of the Act, received in writing a notice from a Member, proposing her candidature for the office of Director. Mrs. Avani Jolly Pandit aged 37 years is Diploma in Designing and Art by profession.

She has vast and varied experience in designing and development of art work. The Company engaged in manufacturing of floor covering which are of different designs and colors. Her rich experience of designing will help the company to develop new products with different designs as per market/ customers' requirements.

She is not a Director in any of the Company and not holding any equity shares of the Company.

Mrs. Avani Jolly Pandit is not debarred from holding the office of Director by virtue of any SEBI order or order by Competent authority.

The Company has received a declaration from Mrs. Avani Jolly Pandit that she meets the criteria of Independence as prescribed under Listing Regulations.

In opinion of the Board, Mrs. Avani Jolly Pandit fulfills the conditions specified under the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 16(1)(b) of the listing Regulations for her appointment as Independent Director of the Company and is independent of the management.

In Compliance with the provisions of section 149, read with schedule IV of the Act and Regulation 17 of SEBI, Listing Regulations, the appointment of Mrs. Avani Jolly Pandit as an Independent Director is now being placed before the Members for their approval.

Copy of the letter for appointment of Mrs. Avani Jolly Pandit as an Independent Director setting out the terms and conditions of her appointment would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (11.00 am to 1.00 pm) on any working day.

Details of the number of Board Meetings held and attended by her during her tenure as Director of the Company are given in the Corporate Governance Report.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Mrs. Avani Jolly Pandit as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment Mrs. Avani Jolly Pandit as Director/ Independent Director for the approval by the shareholders of the Company.

Except Mrs. Avani Jolly Pandit being an appointee herself and her relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives, are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.6

This explanatory statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of The Institute of Company Secretaries of India.

Note No.7

Your Company while carrying out business activities may enter into the transactions with related parties as defined under the provisions of Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") for which the approval of members at general meeting required to be taken if the value of transactions including the value of transactions already entered exceeds threshold limit prescribed under the Act and/or Regulations. For abundant precaution, the Company proposed to avail the consent of the shareholders for entering into the transactions with related parties as detailed mentioned below.

The brief terms and conditions and other particulars of the above transaction are as follows:

Annual Report 2018-2019

Name of Related Party	Natroyal Industries Private Limited					
Name of the Director or Key Managerial Personnel who is related, if any	Mr. Mahesh K. Shah, Chairman and Managing Director Mr. Jayesh Motasha, Director					
Nature of Relationship	1. The above-mentioned Directors and their relatives are members in Natroyal Industries Private Limited. 2. The relatives of Mr. Mahesh K. Shah is Director in Natroyal Industries Private Limited.					
Material terms of the contracts / arrangements / transactions (figures in lakhs)	₹. in lakhs)					
	Year	Sales/ services	Purchase/services	Reimbursement of Expenses incurred by NIPL	Reimbursement of expenses incurred by company	Lease Rent income
	2018-19 (Actual)	7328	6174	87	Nil	59
2019-20 (Proposed)	Maximum 9000	Maximum 7500	Maximum 200	Maximum 15	Maximum 150	
Monetary Value / Consideration	As mentioned above					
Other relevant information	N.A.					

Pursuant to the applicable provisions of the Companies Act, 2013 and the 23(4) of the SEBI (LODR) Regulations, Mr. Mahesh K. Shah, Chairman and Managing Director, Mr. Jayesh A. Motasha, Director and their relatives are deemed to be interested in the transaction to the extent of their shareholding since relative of Mr. Mahesh K. Shah is Director and all the Directors mentioned herein along with their relatives are members in Natroyal Industries Private Limited.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

Members are hereby informed that pursuant to the regulations 23(4) of SEBI (Listing Obligations and Disclosure Regulations) Regulations, 2015, all the related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not.

The Board of Directors recommends the resolution as set out in the accompanying Notice for the approval of members of the Company as an Ordinary Resolution.

BY ORDER OF THE BOARD
For Royal Cushion Vinyl Products Limited

Mahesh Shah
Chairman and Managing Director
(DIN 00054351)

Place:-Mumbai
Date: August 29th, 2019

Registered Office:

Royal Cushion Vinyl Products Limited
SHLOK, 60 CD, Govt. Industrial Estate,
Charkop, Kandivali (West), Mumbai - 400 067
CIN No. - L24110MH1983PLC031395
Website: www.rcvp.in

Annual Report 2018-2019

DIRECTORS' REPORT

To
The Members of
Royal Cushion Vinyl Products Limited,

Your Directors have pleasure in presenting the 35th Annual Report together with Audited Financial Statements of the Company for the financial year ended 31st March, 2019.

1) Financial Results

(₹ In Lakhs)

Particulars	Current year ended 31.03.2019	Previous year Ended 31.03.2018
Revenue from operations (Net)	7353.65	7330.55
Other Income	2221.03	837.54
Less: Excise Duty	0	161.90
Net Income	9574.68	8006.20
Total Expenditure	8501.49	8142.05
Profit / (loss) before interest and depreciation	1073.19	(135.86)
Finance Cost	496.75	425.72
Depreciation	136.34	137.46
Profit/(Loss) before Exceptional item	440.10	(699.03)
Exceptional item	7.93	51.36
Profit/(Loss) for the year	448.03	(647.67)

2) Performance of operations and the state of Company's Affairs

The Company has achieved Net Revenue from operations of ₹.7353.65 Lakhs as against ₹.7330.55 Lakhs in the previous year. Net Profit of ₹.448.03 Lakhs as compared to previous year's Net Loss of ₹.647.67 Lakhs. Other income includes ₹ 2117.43 towards unclaimed liabilities written-back.

3) Dividend

The Board of Directors is unable to declare any dividend for the year 2018-2019.

4) Management Discussion and Analysis Report

Management Discussion and Analysis Report as required under Listing Agreement and LODR Regulations is disclosed separately in the current Annual Report.

5) Fixed Deposits

During the year under review, your Company has not accepted any deposits within the meaning of provisions of Chapter V - Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules 2014, as amended from time to time.

6) Corporate Social Responsibility

The Companies Act, 2013 mandates that every Company, who meet certain eligibility criteria needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility activities. In view of losses, no amount is required to be spent by the Company.

7) Energy, Technology & Foreign Exchange

Details on conservation of energy, technology absorption, foreign exchange earnings and outgo is given in the

Annual Report 2018-2019

Annexure - 'A' to this report.

8) Personnel

Employee relations remained harmonious and satisfactory during the year and your Board would like to place on record their sincere appreciation for sustained efforts and valued contribution made by all the employees of the Company.

9) Particulars of Loans, Guarantees and Investments under section 186 of the Companies Act, 2013

Details of Loans, Guarantees and Investments under Section 186 of the Companies Act, 2013 forms part of notes to financial statements provided in this Annual Report.

10) Related Party Transactions

All related party transactions that were entered during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

11) Disclosure under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014

The information required pursuant to section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors is attached as Annexure "B".

12) Particulars of Employees

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. There were no employees who were in receipt of remuneration for which details need to be disclosed.

13) Board of Directors

The Board of Directors comprises of one Executive Director and Three Non-Executive Directors. Mr. Mahesh. K. Shah, Chairman and Managing Director of the Company, who will be reappointed for a period of three years with effect from 1st April, 2020, subject to approval of the shareholders at the forthcoming Annual General Meeting. Mr. Jayesh Motasha was a Director and CFO and he resigned from the post of CFO on 14th March, 2019 and continued as a Non -Executive Director of the Company.

Mr. Arvind Motasha, Director of the Company has resigned from the Board on 16th February, 2019. Mr. Deepak Motasha, Mr. Mukesh Motasha, Mr. Vinod Shah and Ms. Kavita Bachwani, Directors of the Company have resigned from the Board on 14th March, 2019. The Board places on record their appreciation for the assistance and guidance provided to the Company. Mr. Urvish Shah was appointed on 14th March, 2019 as Chief Financial Officer of the Company and he resigned on 2nd July, 2019. The Board places on record its appreciation for the services rendered by Mr. Urvish Shah during his tenure with the Company.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Mrs. Avani Jolly Pandit and Mrs. Harsha Mukesh Shah, Independent Directors, both are appointed as an Additional Directors of the Company effective from March 11th, 2019. Pursuant to the provisions of section 149 and 152 of the Companies Act, 2013, Mrs. Pandit and Mrs. Shah holds office up to the date of the forthcoming Annual General Meeting (AGM) Subject to the approval of the members their appointment will be continued for the period of five years from the date of appointment i.e. 11.03.2019. Notices under Section 152 and 160(1) of the Act, have been received from Members proposing their names for appointment as Director.

Brief Resume of Mrs. Avani Jolly Pandit and Mrs. Harsha Mukesh Shah, nature of their expertise in functional areas and the name of the companies in which they hold the Directorship and the Chairmanship/Membership of the Committees of the Board, as stipulated under SEBI (Listing Obligations and Disclosure Requirements),

Annual Report 2018-2019

Regulations 2015, the Companies Act, 2013 and applicable Secretarial Standards are given as Annexure to the notice convening the Annual General Meeting.

All Independent Directors have given declarations to the effect that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 read with Regulation 16 of SEBI (Listing obligations and Disclosures Requirements), Regulations 2015. In the opinion of the Board, Independent Directors fulfill the conditions specified in the Act, Rules made there under and Listing Regulations.

The enabling resolutions for approval of their appointment are being placed in the Notice of the forthcoming Annual General Meeting for approval of shareholders.

14) Key Managerial Personnel

The Company has Mr. Mahesh K. Shah, Chairman & Managing Director. Mr. Urvish Shah has appointed as Chief Financial Officer (CFO) and Key Managerial Personnel on 14th March, 2019 and resigned w.e.f 2nd July, 2019. The Company has appointed Ms. Nivedita Juvatkar as a Company Secretary and Compliance Officer w.e.f 18th April, 2019 to comply with the provision of Section 203 of the Companies Act, 2013.

15) Directors' Responsibility Statement

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- a) That in the preparation of the Annual Accounts for the financial year ended 31st March, 2019 the applicable accounting standards/practices had been followed along with proper explanation relating to material departures; if any
- b) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- c) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual financial statements have been prepared on a going concern basis.
- e) That the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f) That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16) Material changes and commitments affecting the financial position of the Company which have occurred between 31st March, 2019 and 23rd August, 2019 (date of the Report)

There were no material changes and commitments affecting the financial position of the Company between the end of financial year (March 31st, 2019) and the date of the Report (August 23rd, 2019).

17) Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

There were no significant and material changes and no orders have taken place that could have an impact on the financial position of the Company from the date of closure of financial year under review till the date of signing of Accounts.

18) Corporate Governance Certificate

Annual Report 2018-2019

Your Company believes that Corporate Governance is the basis of stakeholder satisfaction. The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Governance Requirements as set out by SEBI. Your Company has obtained a certificate from M/s. Bipin & Co., Chartered Accountants, Statutory Auditors, on compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Schedule V of the listing Regulation. The report of Corporate Governance along with certificate from the auditors of the Company regarding compliance of conditions of corporate governance is enclosed in this report.

19) Details of Subsidiaries/Joint venture/Associate Company

The Company has no subsidiaries/Joint venture/Associate Company incorporated or ceased in the year 2018-19.

20) Internal financial control

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

21) Statutory Auditors

M/s. Bipin & Co, Chartered Accountants, Vadodara (Firm Registration no. 101509W) were appointed as Auditors of the Company for a term of 5 (five) consecutive years, at the Annual General Meeting held on 26th September 2017. They have confirmed that they are not disqualified from continuing as Auditors of the Company. The members are requested to appoint the auditors and authorize the Board to fix their remuneration.

Auditors Report:

The notes on financial statement referred to in the Auditors Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer.

22) Cost Auditors

In terms of the Companies (Cost Records and Audit) Rules, 2014 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company has maintained cost records for financial year 2018-19 in respect of its polymers products. However, in terms of the said Rules, the requirement of cost audit is not applicable to the Company for the financial year 2018-19 as the turnover of the Company from these services is below the threshold limit prescribed in the said Rules for cost audit.

23) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Board has appointed Mrs. Padma Loya, Practicing Company Secretaries of M/s. Loya and Associates (Membership no. 25349, Certificate of Practice No. 14972) to conduct Secretarial Audit of the Company for the financial year 2018-2019.

The Annual Secretarial Compliance Report for the period ended 31st March, 2019 under Regulation 24A issued by Mrs. Padma Loya, Practicing Company Secretaries of M/s. Loya and Associates and submitted to BSE Limited.

The Secretarial Audit Report for the financial year 2018-19 is annexed herewith as Annexure "C" which forms part of the Board's report.

24) Listing with Stock Exchange

The Company confirms that it has paid the Annual Listing Fees for the year 2019-2020 to BSE Limited (BSE) where the Company's Shares are listed.

Annual Report 2018-2019

25) Share Capital

During the financial year there was no change in the Share Capital of the Company.

26) Extract of the annual return

Pursuant to Section 134(3)(a) of the Companies Act, 2013 an extract of the Annual Return in Form No. MGT - 9 is annexed herewith as Annexure "D".

27) Remuneration Policy

The Board of Directors has on recommendations of the Nomination & Remuneration Committee outlined policy for selection & appointment of Directors, Key Managerial Personnel & Senior Management and also to decide their remuneration along with the perks. The Nomination & Remuneration Committee revises the remuneration from time to time depending upon the performance of the Company and the Individual Director's / Key Managerial Personnel and other Senior Management Personnel. The detailed policy is available on the website of the Company www.rcvp.in.

28) Board of Directors Meeting

During the financial year ended 31st March 2019, the Company held eight (8) Board Meetings and the gap between the two meetings of the Board not more than 120 days as per Companies Act, 2013. The meetings were held on 6th June 2018, 13th August, 2018, 29th August, 2018, 14th November, 2018, 12th February, 2019, 16th February, 2019, 11th March, 2019 and 14th March, 2019. The details of the Board Meetings are provided in the Corporate Governance Report.

29) Committees of the Board

The Board has following Committees formed:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee

The details of the composition of committees, its roles and responsibility along with number of meetings held are given in the Report of Corporate Governance.

30) Audit Committee

The Audit Committee of the Board has been constituted as per the Listing Regulations and Section 177 of the Companies Act, 2013. Constitution, meetings, attendance and other details of the Audit Committee are given in corporate governance which forms a part of this Report.

31) Vigil Mechanism

The Company has established a vigil mechanism for its Directors and Employees to report genuine concerns relating any violations legal or regulatory requirements or misconduct in the Company through its Whistle Blower Policy. And also, to report concerns of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct and ethics policy, incorrect or misrepresentation of any financial statements and reports thereon.

The protected disclosures will be dealt by the Chairperson of the Audit Committee and the Chairperson should address the same carry out the investigation and take needful action.

The policy on Whistle Blower as approved by the Board of Directors is uploaded on company's website i.e. www.rcvp.in.

Annual Report 2018-2019

32) Risk Management Policy

The Company has laid down procedures to inform the members of the Board about the risk assessment and minimization procedures and the same is reviewed by the Board periodically.

33) Prevention of Sexual Harassment at Workplace

The Company has adopted Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the workplace, to provide protection to employees at the workplace. The Company has not received any complaints of sexual harassment during the year.

34) Performance Evaluation of Board and Independent Directors

Pursuant to the applicable provisions of the Companies Act, 2013, Listing Agreement and LODR Regulations, the Board has carried out the annual performance evaluation. The Board has evaluated performance of all the Directors, quality of information available, quality of discussions, contributions and decisions etc. The overall performance of the members of the Board was found satisfactory. Evaluation procedure covered Board's functioning such as adequacy of the size and composition of the Board and its Committees to ensure diversity and adequate skills in the best interest of the Company as a whole. The Independent directors evaluated performance of non-independent directors and board.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 Mrs. Avani Jolly Pandit and Mrs. Harsha Mukesh Shah both are appointed as Independent Directors of the Company with effect from March 11th, 2019.

The enabling resolutions for approval of their appointment are being placed in the Notice of the forthcoming Annual General Meeting for approval of shareholders.

35) Familiarisation Programme for Directors

A well-informed familiarized Board member can contribute significantly to effectively discharge its role of trusteeship in a manner that fulfils stakeholders' aspirations and societal expectations. In pursuit of this, the Directors are updated on a continuing basis on changes / developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislations and economic environment, to enable them to take well informed and timely decisions.

36) Acknowledgement

The Directors wish to place on record their appreciation, for the co-operation and support received from Financial Institutions, Banks, Customers and other Government agencies. Your Directors also place on record their appreciation, for the services rendered by Employees during the critical period of the Company.

On Behalf of the Board of Directors
For **Royal Cushion Vinyl Products Limited**

Place: Mumbai
Date: 23rd August, 2019

Mahesh Shah
Managing Director
(DIN 00054351)

ANNEXURE: "A"

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUT GO:

1) CONSERVATION OF ENERGY

- i) Various motors and drives of Plant converted/ replaced from DC motors to AC motors. This conversion helped to reduce electricity consumption.
- ii) During the year, meetings/training programs were organized in observance with promotion of energy conservation.
- iii) The Conventional lights are being replaced with contemporary energy saving LED Lights.

2) TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT: -

R & D was specially carried out in designing & developed in various products.

- i) Efforts made in technology absorption:

Productivity and quality improvement, coupled with cost benefits, achieved in film ranges through better technology/ Technology improvements.

- ii) Future Plans

To develop various new designs vinyl flooring for export market as well as Indian market.

3) FOREIGN EXCHANGE EARNING AND OUTGO:

(₹ In Lakhs)

Sr. No.	Particulars	Current year ended on 31.03.2019	Current year ended on 31.03.2018
1	Fob Value of Export	Nil	Nil
2	Foreign exchange outgo:		
	Import of Raw material	23.19	886.11
	Stores & Spares	48.74	32.36
	Foreign Travels	8.31	8.81

Annual Report 2018-2019

ANNEXURE: "B"

Details of Ratio of Remuneration of Director

[Section 197(12) read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

Disclosure under Rule 5(1) of the Companies (Appointment and Remuneration), Rules, 2014

- i) The ratio of the remuneration of each director to the median remuneration of the employees of the company and percentage increase in remuneration of Director, CFO and CS for the financial year;

Sr. No	Name	Designation	Remuneration paid for FY 2018-19	Remuneration paid for FY 2017-18	% increase in remuneration in the FY 2018-19	Ratio/ Times per median of employee remuneration
1.	Mahesh Shah	Chairman & Managing Director	9,28,800	8,42,050	10.30 %	4.78
2.	Vinod Shah*	Whole Time Director	8,20,736	8,41,050	10.30%	4.44
3.	Kavita Bachwani*	Director	9,44,167	9,03,216	9.96%	5.12
4.	Urvish Shah**	CFO	56,126	-	-	5.86

* Vinod Shah, Whole time Director and Kavita Bachwani, Director of the Company have resigned from the directorship on 14th March, 2019.

** Mr. Urvish Shah is appointed as Chief Financial Officer of the Company on 14th March, 2019 and has resigned from the post of Chief Financial Officer w.e.f 2nd July 2019.

- i) Percentage increase in median remuneration

Median remuneration of employees in FY 2018-19 in Rs.	Median remuneration of employees in F-Y 2017-18 in Rs.	Percentage increase/(decrease)
1,94,988	1,95,978	Nil

- iii) No. of permanent employees as on 31.03.2019:186

- iv) Comparison between average percentile increase in salaries of employees (excluding managerial personnel) and percentile increase in managerial remuneration.

Average percentile increase in salaries of employees other than managerial personnel in FY 2018-19	Percentile increase in managerial personnel remuneration in FY 2018-19	Justification
Nil	9.80%	The increase is due to availment of certain Fixed annual benefits of the previous year during the current year. There is no increase in the remuneration during the year.

- v) This is to affirm that the above remuneration is paid as per the Remuneration Policy of the Company: - YES

There were no employees who were in receipt of remuneration for which details need to be disclosed under Rule 5(2) and 5(3) of the section 197 of the Companies Act, 2013.

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

To
The Members of
M/s. ROYAL CUSHION VINYL PRODUCTS LIMITED
CIN NO: L24110MH1983PLC031395
60 CD "Shlok" Government Ind. Estate,
Charkop, Kandivli (West),
Mumbai-400067

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. ROYAL CUSHION VINYL PRODUCTS LIMITED** (*hereinafter called "the Company"*). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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 financial year commencing from 1st April, 2018 and ended 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board process 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 **M/s. ROYAL CUSHION VINYL PRODUCTS LIMITED** ("The Company") 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 there under ;
- 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 (FDI), Overseas Direct Investment, and External Commercial Borrowings and the provisions thereto have been duly complied with;
- 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, 2015;
 - c. 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;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations;
 - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - h. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

Annual Report 2018-2019

- vi. I further report that, having regard to the Compliance System prevailing in the Company and on examination of the relevant documents and records in pursuance thereof of the Company has complied with the provisions of all the Acts, Rules, Regulations, Guidelines, Standards, etc. in relation to the industry specific Acts, labor and other applicable laws as provided by the management of the company:
- (a) Payment of Gratuity Act, 1972
 - (b) Employees Provident Fund and Miscellaneous provisions Act, 1952
 - (c) Employees State Insurance Act 1948
 - (d) Maternity Benefit Act, 1961
 - (e) Minimum Wages Act, 1948
 - (f) Payment of Bonus Act, 1965
 - (g) Payment of Wages Act 1936
 - (h) Environment (Protection) Act, 1986
 - (i) Income-Tax Act 1961
 - (j) Information Technology Act, 2000
 - (k) Equal Remuneration Act, 1976
 - (l) Workmen's Compensation Act, 1923
 - (m) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
 - (n) Factories Act, 1948
 - (o) Industrial Disputes Act, 1947

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India to the extent applicable under the provisions of Companies Act, 2013 and
- ii. The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited.
- iii. The Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

***It is observed that as per Section 203 of Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, necessitated that every listed company has to mandatorily have a Company Secretary in whole time employment, hence, the company has not complied till 31.03.2019, but the Company has duly appointed a Whole-time Company Secretary, Ms. Nivedita A Juvatkar on 18/04/2019.*

***It is observed that as per section 149 (5) of the Companies Act 2013 & as per Regulation 17 of SEBI(LODR), necessitated that every listed company has to mandatorily appoint on board an Independent director, hence the company has duly appointed the Independent Director on 11/03/2019 .*

*** The Company was registered as a sick company under the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985. The Company had submitted the revised Draft Rehabilitation Scheme ("DRS") containing proposals for revival of the Company with the erstwhile Hon'ble Board for Industrial and Financial Reconstruction ("BIFR"). The Hon'ble BIFR had circulated the revised DRS vide it's order dated 11.06.2015, for consideration of the concerned parties and other related proceedings were pending before the Hon'ble BIFR at an advanced stage of final approval. The last hearing before Hon'ble BIFR was held on 22.11.2016. However, in the meantime, the Government of India notified certain provisions of the Insolvency and Bankruptcy Code, 2016 ("IBC") w.e.f. December 1, 2016 which had the effect of abatement of the pending proceedings of the Company before the Hon'ble BIFR. In terms of provisions of IBC, the said proceedings will be governed by the provisions of the newly notified IBC law. The Company had filed an application for initiation of Corporate Insolvency Resolution Process before NCLT, Mumbai under IBC law on 29.05.2017. Many hearings were taken place during last one year, however, in the last hearing held on 23.04.2018, the Company withdrew the application from NCLT.*

I further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors appointed on Board. The changes in the composition of the Board of Directors

Annual Report 2018-2019

that took place during the year under review were carried out in compliance with the provisions of the Companies Act, 2013.

- (b) 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 of the meeting.
- (c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

I further report that during the audit period, there were no specific events/actions having a major bearing on the Companies affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. as referred to above.

I further report that during the financial year under review, the Company has obtained approval of members under relevant sections of the Companies Act, 2013.

**For and on behalf of
LOYA & ASSOCIATES
Practicing Company Secretary**

**Place: Mumbai
Date: 20-08-2019**

**CS PADMA LOYA
Proprietor
M. No. 25349 COP. 14972**

This report is to be read with our letter of even date which is annexed as **Annexure A and forms an integral part of this report.

Annual Report 2018-2019

Annexure – A

To
The Members of
M/s. ROAL CUSHION VINYL PRODUCTS LIMITED
CIN NO: L24110MH1983PLC031395
60 CD "Shlok" Government Ind. Estate,
Charkop, Kandivli (West),
Mumbai-400067

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 an opinion 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.

For and on behalf of
LOYA & ASSOCIATES
Practicing Company Secretary

Place: Mumbai
Date: 20-08-2019

CS PADMA LOYA
Proprietor
M. No. 25349 COP. 14972

Annexure: "D"
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2019

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014

FORM NO. MGT-9

I. REGISTRATION AND OTHER DETAILS:

i) CIN	:	L24110MH1983PLC031395
ii) Registration Date	:	21 st November, 1983
iii) Name of the Company	:	Royal Cushion Vinyl Products Limited
iv) Category/ Sub-Category of the Company	:	Public Company
v) Address of the Registered Office and contact details	:	60CD, SHLOK, Government Ind. Estate Charkop, Kandivali (West), Mumbai- 400 067. Website:- www.rcvp.in E-mail: legalho83@gmail.com
vi) Whether listed company	:	Yes, listed on BSE
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	:	M/s Universal Capital Securities Private Limited Unit: Royal Cushion Vinyl Products Limited 21, ShakilNiwas, Mahakali Caves Road, Andheri (East), Mumbai 400 093 Tel: 28366620/ 28257641/62920, Fax : 28211996

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	Manufacture of other Plastic Products (PVC Floor Covering)	22209	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: -

The Company has no subsidiaries/Joint venture/Associate Company incorporated or ceased in the year 2018-19.

IV SHAREHOLDING PATTERN (Equity Share Capital; Breakup as percentage of Total Equity)

i) Category- wise Share Holding

Sr No.	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Promoters									
1	Indian									
(a)	Individuals/ Hindu Undivided Family	393678	2300	395978	3.28	402378	-	402378	3.33	0.05
(b)	Central Govt(s)	-	-	-	-	-	-	-	-	-
(c)	State Govt(s)	-	-	-	-	-	-	-	-	-

Annual Report 2018-2019

(d)	Bodies Corporate	3580190	564060	4144250	34.34	4137290	563460	4700750	38.95	4.61
(e)	Banks / FI	-	-	-	-	-	-	-	-	-
(f)	Any Others (Specify)									
	Sub Total(A)(1)	3973868	566360	4540228	37.62	4539668	563460	5103128	42.28	4.66
2	Foreign									
a	NRI's - Individuals	-	-	-	-	-	-	-	-	-
b	Other Individuals	-	-	-	-	-	-	-	-	-
c	Bodies Corporate	-	2880000	2880000	23.87	-	2880000	2880000	23.87	-
d	Banks / FI	-	-	-	-	-	-	-	-	-
e	Any Others (Specify)	-	-	-	-	-	-	-	-	-
	Sub Total(A)(2)	-	2880000	2880000	23.87	-	2880000	2880000	23.87	-
	Total Shareholding of Promoter (A)= (A)(1)+ (A)(2)	3973868	3446360	7420228	61.49	4539668	3443460	7983128	66.16	4.66
(B)	Public shareholding									
1	Institutions									
(a)	Mutual Funds	-	5300	5300	0.04	-	5300	5300	0.04	-
(b)	Banks / FI	1236689	1730	1238419	10.26	679589	1730	681319	5.65	-4.62
(c)	Central Govt(s)	-	-	-	-	-	-	-	-	-
(d)	State Govt(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	FIs	-	-	-	-	-	-	-	-	-
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	1236689	7030	1243719	10.31	679589	7030	686619	5.69	-4.62
B 2	Non-institutions									
(a)	Bodies Corporate									
(i)	Indian	382076	19220	401296	3.33	403047	19220	422267	3.50	0.17
(ii)	Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals									
(i)	Individual shareholders holding nominal share capital up to Rs 1 lakh	1036505	316255	1352760	11.21	1017332	299805	1317137	10.91	-0.30
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	1565404	-	1565404	12.97	1576185	-	1576185	13.06	0.09

Annual Report 2018-2019

(c)	Others (specify)									
(i)	Clearing Members	36271	-	36271	0.30	34142	-	34142	0.28	-0.02
(ii)	Trusts	-	-	-	-	-	-	-	-	-
(iii)	NRI / OCBs	2550	44850	47400	0.39	2750	44850	47600	0.39	-
(iv)	Foreign Nationals	134	-	134	-	134	-	134	-	-
(v)	Foreign Corporate Body	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	3022940	380325	3403265	28.20	3033590	363875	3397465	28.15	-0.05
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	4259629	387355	4646984	38.50	3713179	370905	4084084	33.84	-4.66
	TOTAL (A)+(B)	8233497	3833715	12067212	100	8252847	3814365	12067212	100	-
(C)	Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	8233497	3833715	12067212	100	8252847	3814365	12067212	100	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged /encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged /encumbered to total shares	
1	Anuradha Jayesh Jhaveri	28000	0.23	-	28000	0.23	-	-
2	Anuradha Arvind Motasha	1000	0.01	-	1000	0.01	-	-
3	Arvind Vadilal Motasha	16903	0.14	-	16903	0.14	-	-
4	Bhavana Mukesh Motasha	40822	0.34	-	40822	0.34	-	-
5	Deepak Motasha	26701	0.22	-	27001	0.22	-	-
6	Dipti Jayesh Motasha	1051	0.01	-	1051	0.01	-	-
7	Hansa Arvind Motasha	27600	0.23	-	27600	0.23	-	-
8	Jayashree M Shah	400	-	-	400	0.00	-	-
9	Jayesh A Motasha	26800	0.22	-	26800	0.22	-	-
10	Mahesh Kantilal Shah	39150	0.32	-	39450	0.33	-	0.01
11	Meena Vinod Shah	69000	0.57	-	74000	0.61	-	0.04
12	Mukesh Amrutlal Motasha	25701	0.21	-	25701	0.21	-	-
13	Rohini Mahesh Shah	500	-	-	-	-	-	-
14	Sushilaben K Shah	18550	0.15	-	18550	0.15	-	-
15	Suvrat Mahesh Shah	12300	0.10	-	13600	0.11	-	0.01
16	Sweta Deepak Motasha	300	-	-	300	-	-	-
17	Varun Jayesh Motasha	19800	0.16	-	19800	0.16	-	-
18	Vinod Kantilal Shah	41400	0.34	-	41400	0.34	-	-
19	Bhaktavatsala Trading & Consultancy Services LLP	1035210	8.58	73.98	1035210	8.58	37.62	-
20	Lokswami Trading & Consultancy Services LLP	403150	3.34	74.85	403150	3.34	-	-
21	Sahishnu Trading & Consultancy Services LLP	709340	5.88	88.27	709340	5.88	-	-

Annual Report 2018-2019

22	Shreedaha Trading & Consultancy Services LLP	709300	5.88	60.09	709300	5.88	5.84	-
23	Shreeshaha Trading & Consultancy Services LLP	300	-	-	-	-	-	-
24	Sughosh Trading & Consultancy Services LLP	709310	5.88	60.09	709310	5.88	5.82	-
25	Suhruda Trading & Consultancy Services LLP	300	-	-	-	-	-	-
26	Sumukh Trading & Consultancy Services LLP	44970	0.37	-	44970	0.37	-	-
27	Trilokatma Trading & Consultancy Services LLP	1035210	8.58	74.91	1035210	8.58	4.83	-
28	Trilokesh Trading & Consultancy Services LLP	45690	0.38	-	45690	0.38	-	-
29	Vishvamurti Trading & Consultancy Services LLP	8570	0.07	-	8570	0.07	-	-
30	Lapada (Mauritius) Limited	2880000	23.87	-	2880000	23.87	-	-
	Total	7977328	66.11	43.47	7983128	66.16	39.31	0.05

(iii) Change in Promoter's Shareholding (please specify, if there is no change)

Sl. No.	Name of the promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Anuradha Jayesh Jhaveri	28000	0.23	28000	0.23
2	Anuradha Arvind Motasha	1000	0.01	1000	0.01
3	Arvind Vadilal Motasha	16903	0.14	16903	0.14
4	Bhavana Mukesh Motasha	40822	0.34	40822	0.34
5	Deepak Motasha	26701	0.22	26701	0.22
	31-12-2018 Transfer	300	-	27001	0.22
6	Dipti Jayesh Motasha	1051	0.01	1051	0.01
7	Hansa Arvind Motasha	27600	0.23	27600	0.23
8	Jayashree M Shah	400	-	400	-
9	Jayesh A Motasha	26800	0.22	26800	0.22
10	Mahesh Kantilal Shah	39150	0.32	39150	0.32
	22-03-2019 Transfer	300	-	39450	0.33
11	Meena Vinod Shah	69000	0.57	69000	0.57
	13-04-2018 Transfer	5000	0.04	74000	0.61
12	Mukesh Amrutlal Motasha	25701	0.21	25701	0.21
13	Rohini Mahesh Shah	500	-	500	-
	31-12-2018 Transfer	-500	-	-	-
14	Sushilaben K Shah	18550	0.15	18550	0.15
15	Suvrat Mahesh Shah	12300	0.10	12300	0.10
	31-12-2018 Transfer	1300	0.01	13600	0.11
16	Sweta Deepak Motasha	300	-	300	-
17	Varun Jayesh Motasha	19800	0.16	19800	0.16
18	Vinod Kantilal Shah	41400	0.34	41400	0.34
19	Bhaktavatsala Trading & Consultancy Services LLP	1035210	8.58	1035210	8.58
20	Lokswami Trading & Consultancy Services LLP	403150	3.34	4035150	3.34
21	Sahishnu Trading & Consultancy Services LLP	709340	5.88	709340	5.88
22	Shreedaha Trading & Consultancy Services LLP	709300	5.88	709300	5.88
23	Shreeshaha Trading & Consultancy Services LLP	300	-	300	-
	31-12-2018 Transfer	-300	-	-	-
24	Sughosh Trading & Consultancy Services LLP	709310	5.88	709310	5.88
25	Suhruda Trading & Consultancy Services LLP	300	-	300	-
	31-12-2018 Transfer	-300	-	-	-
26	Sumukh Trading & Consultancy Services LLP	44970	0.37	44970	0.37
27	Trilokatma Trading & Consultancy Services LLP	1035210	8.58	1035210	8.58
28	Trilokesh Trading & Consultancy Services LLP	45690	0.38	45690	0.38
29	Vishvamurti Trading & Consultancy Services LLP	8570	0.07	8570	0.07
30	Lapada (Mauritius) Limited	2880000	23.87	2880000	23.87

Annual Report 2018-2019

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the shareholder At the beginning of the year	Shareholding at the beginning of the year		Cumulative Shareholding during the end of year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Ketan Babulal Shah	294316	2.44	294316	2.44
2	IDBI Bank Ltd.	261489	2.17	261489	2.17
3	Sunil Shroff	230145	1.91	230145	1.91
4	Bank Of Baroda	202500	1.68	202500	1.68
5	BJD Securities Pvt Ltd	163210	1.35		
	13-04-2018 Transfer	500	-	163710	1.36
6	Bharat Jamnadas Dattani HUF	150043	1.24		
	20-04-2018 Transfer	-900	-0.01	149143	1.24
7	Union Bank Of India	114400	0.95	114400	0.95
8	Rajeshri Ketan Shah	110326	0.91	110326	0.91
9	Bharat Jamnadas Dattani	108545	0.90	108545	0.90
10	Moneybee Securities Pvt. Ltd.	100000	0.83	100000	0.83

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Category	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total Shares of the Company
1	Mr. Mahesh K. Shah		Chairman & Managing Director			
	At the beginning of the year		39150	0.32	39150	0.32
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc)	22-03-2019 Transfer	300	0.01		
	At the End of the year		39450	0.32	39450	0.32
2	Mr. Vinod Shah*		Whole Time Director			
	At the beginning of the year		41400	0.34	41400	0.34
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc)		-	-	-	-
	At the End of the year		41400	0.34	41400	0.34
3	Mr. Jayesh Motasha		Director			
	At the beginning of the year		26800	0.22	26800	0.22
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc)		-	-	-	-
	At the End of the year		26800	0.22	26800	0.22
4	Mr. Mukesh Motasha*		Director			
	At the beginning of the year		25701	0.21	25701	0.21
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc)		-	-	-	-
	At the End of the year		25701	0.21	25701	0.21
5	Mr. Arvind Motasha*		Director			
	At the beginning of the year		16903	0.14	16903	0.14
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc)		-	-	-	-
	At the End of the year		16903	0.14	16903	0.14

Annual Report 2018-2019

6	Mr. Deepak Motasha*	Director				
	At the beginning of the year		26701	0.22	26701	0.22
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc)	31-12-2018 Transfer	300	-	-	-
	At the End of the year		27001	0.22	27001	0.22
7	Ms. Kavita Bachwani*	Director				
	At the beginning of the year	NIL				
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc)	----				
	At the End of the year	NIL				
8	Mr. Urvish Shah**	Chief Financial Officer				
	At the beginning of the year	NIL				
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc)	---				
	At the End of the year	NIL				

* Mr. Arvind Motasha has resigned from the Board w.e.f 16th February, 2019. Mr. Vinod Shah, Mr. Mukesh Motasha, Mr. Deepak Motasha, Ms. Kavita Bachwani has resigned from the Board w.e.f 14th March, 2019.

**Mr. Urvish Shah is appointed as Chief Financial Officer of the Company on 14th March, 2019 and has resigned from the post of Chief Financial Officer w.e.f 2nd July, 2019.

V INDEBTEDNESS

(₹ In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	13305.68	2440.20	-	15745.88
ii) Interest due but not paid	16415.07	-	-	16415.07
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	29720.75	2440.20	-	32160.95
Change in Indebtedness during the financial year				
• Addition	534.72	675.18	-	1209.89
• Reduction	393.30	137.53	-	530.83
Net Change	(141.41)	(537.65)	-	(679.06)
Indebtedness at the end of the financial year				
i) Principal Amount	13,447.09	2977.85	-	16424.94
ii) Interest due but not paid	16,415.07	-	-	16,415.07
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii+ iii)	29862.16	2977.85	-	32840.01

Annual Report 2018-2019

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Particulars of Remuneration	Mr. Mahesh K. Shah Managing Director	*Mr. Vinod Shah- Whole Time Director	*Ms. Kavita Bachwani - Director
Gross Salary			
(a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961	9,00,000	7,95,536	9,44,167
(b) Value of perquisites u/s. 17 (2) Income-tax Act, 1961	28,800	25,200	-
(c) Profits in lieu of Salary under section 17 (3) Income – tax Act, 1961	-	-	-
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission - as % of profit - Others, specify	-	-	-
Others, please specify	-	-	-
Total (A)	9,28,800	8,20,736	9,44,167
Ceiling as per the Act	As per Schedule V of Companies Act, 2013		

* Mr. Vinod Shah, Whole time Director and Ms. Kavita Bachwani, Director of the Company has resigned from the Board w.e.f 14th March, 2019

B. Remuneration to other directors: Nil

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD:-

Particulars of Remuneration	Mr. Urvish Shah, CFO
Gross Salary	
(a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961	56,126
(b) Value of perquisites u/s. 17 (2) Income-tax Act, 1961	-
(c) Profits in lieu of Salary under section 17 (3) Income – tax Act, 1961	-
Stock Option	-
Sweat Equity	-
Commission - as % of profit - Others, specify	-
Others, please specify	-
Total (A)	56,126

Annual Report 2018-2019

*Mr. Urvish Shah is appointed as Chief Financial Officer of the Company with effect from 14th March, 2019 and resigned on 2nd July, 2019.

* Ms. Nivedita Juvatkar is appointed as Company Secretary of the Company with effect from 18th April, 2019.

VII PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT:

The Company is primarily engaged in manufacturing of PVC products which are widely used for household, offices, shops, health club, Automobiles etc. The Company has developed various new products.

OPPORTUNITIES AND THREATS:

The Company is amongst the market leaders in PVC vinyl flooring segment with introduction of new products, various productivity improvement initiatives and improved manufacturing processes, the performance of the Company will improve in the following years.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE:

The Company engaged only in one segment i.e. PVC products

OUTLOOK:

With the introduction of high value added products, the Company is optimistic about the growth in the coming years.

RISKS & CONCERNS:

The main cause of concern is cheaper imports of finished products. The Company is focusing on shifting the product mix towards the high end product for better realization.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

There are documented and well established operating procedures in the company. The finance function of the company is also adequately staffed with qualified and experienced personnel.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

To achieve its business and financial objectives, the Company focuses on initiatives to drive growth. The Company seeks to capture significant opportunities for growth by identifying and meeting consumer needs within its core categories.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCE/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.

The Company places special emphasis on the human resources function in the organization and building strong relationship and establishing its brand in the market to attract and retain best talent. The Company consistently engages with employee to receive their feedback through group discussions etc. Based on the feedback, several positive changes are introduced in practice to provide a holistic experience. The total number of employees as on 31st March 2019 stood at 186.

CAUTIONARY STATEMENT:

The Information and opinions expressed in this Report may contain certain forward-looking statements, which the management believes are true to the best of its knowledge at the time of its preparation. Actual results may differ materially from those either expressed or implied in this Report.

REPORT ON CORPORATE GOVERNANCE

(As required under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Corporate Governance Report for the year under review from
1st April, 2018 to 31st March, 2019

1. Brief statement on Company's philosophy on code of Corporate Governance

- i) That the Board and top management of the Company are fully appraised of the affairs of the Company that is aimed at assisting them in the efficient conduct of the Company's business so as to meet Company's obligations to the stakeholders.
- ii) That the Board exercises its fiduciary responsibilities towards shareholders and creditors as to ensure high accountability.
- iii) That all disclosure of information to present and potential investors are maximized.
- iv) That the decision-making process in the organization is transparent and are backed by documentary evidences.
- v) The Company is in compliance with the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations with regard to Corporate Governance.

2. Board of Directors

As on 31st March, 2019 the Board comprises One Executive Director and three Non-Executive Directors. During the year 2018-2019 the Board met 8 times on the following dates, namely, 6th June, 2018, 13th August, 2018, 29th August, 2018, 14th November, 2018, 12th February, 2019, 16th February, 2019, 11th March, 2019 and 14th March, 2019.

The attendance of each Director at the Board Meeting & the last AGM was as follows:

Sr. No.	Name of the Director	Category of Director	No. of Board Meeting attended	Attended Last AGM	No. of Directorships held in other Indian Public Limited Companies [#]	Sitting Fees	No. of Committee* Positions held in other Indian Public Limited Companies-Chairman ^{##}	No. of Committee* Positions held in other Indian Public Limited Companies-Member ^{##}	Inter-se Relationship
							As prescribed in the explanation under Regulation 26 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015		
1.	Mr. Mahesh K. Shah	Executive Director Promoter	8	Yes	--	Nil	Nil	Nil	Brother of Mr. Vinod K. Shah
2.	**Mr. Vinod K. Shah	Executive Director Promoter	7	No	--	Nil	Nil	Nil	Brother of Mr. Mahesh K. Shah
3.	**Mr. Arvind V. Motasha	Non-Executive Director Promoter	4	No	--	Nil	Nil	Nil	--

Annual Report 2018-2019

4.	**Mr. Deepak A. Motasha	Non -Executive Director Promoter	7	Yes	--	Nil	Nil	Nil	Brother of Mr. Jayesh and Mr. Mukesh A. Motasha
5.	**Mr. Mukesh A. Motasha	Non-Executive Director Promoter	7	Yes	--	Nil	Nil	Nil	Brother of Mr. Jayesh and Mr. Deepak A. Motasha
6.	**Mr. Jayesh A. Motasha	Executive Director Promoter & CFO	7	Yes	--	Nil	Nil	Nil	Brother of Mr. Deepak and Mr. Mukesh A. Motasha
7.	**Ms. Kavita Bachwani	Executive Director	7	--	--	--	--	--	--
8.	**Mrs. Harsha Shah	Independent Director	1	--	--	---	---	--	--
9.	**Mrs. Avani Pandit	Independent Director	1	---	---	---	---	---	---

**Mr. Arvind Motasha have resigned from directorship on 16/02/2019 and Mr. Mukesh Motasha, Mr. Vinod Shah, Ms. Kavita Bachwani and Mr. Deepak Motasha have resigned from the directorship of the Company on 14/03/2019.

**Mr. Jayesh A. Motasha was an Executive Director and CFO and due to personal reasons, he resigned from the post of CFO and continue as Non Executive Director.

**Mrs. Harsha Mukesh Shah and Mrs. Avani Jolly Pandit appointed as an Additional Director on 11/03/2019 subject to the approval of the members giving consent in the upcoming annual general meeting as Independent directors of the Company for the term upto five consecutive years.

Does not include private companies, foreign companies and companies established under Companies Act, 2013.

For this purpose, only Audit Committee and Stakeholders Relationship Committee are considered in public companies, excluding that of Royal Cushion Vinyl Products Limited.

3. Audit Committee

The Audit Committee comprises 3 Non-Executive Directors. During the year 2018-2019, the Audit Committee held Six meetings 6th June, 2018, 13th August, 2018, 29th August, 2018, 14th November, 2018, 12th February, 2019 and 14th March, 2019. The terms of reference of the Audit Committee are stipulated under Listing agreement and LODR Regulations and Section 177 of Companies Act, 2013 includes overseeing financial reporting process reviewing with the management & financial statement.

The Composition and other particulars of the attendance of the members of the committee held during the year are as under:

Sr. No.	Name of the Member	Meeting Attended
1.	**Mr. Deepak Motasha - Chairman	5
2.	** Mr. Mukesh Motasha- Member	5
3.	**Ms. Kavita Bachwani	5
4.	*Mrs. Avani Pandit- Chairman	1
5.	*Mrs. Harsha Shah - Member	1
6.	*Mr. Jayesh Motasha - Member	1

Annual Report 2018-2019

**Mr. Mukesh Motasha, Ms. Kavita Bachwani and Mr. Deepak Motasha have resigned from the directorship of the Company on 14/03/2019.

*Mrs. Harsha Shah and Mrs. Avani Pandit have appointed as a Member in Audit Committee on 11/03/2019 and Mr. Jayesh Motasha have appointed as a Member in Audit Committee on 14/03/2019.

4. Stakeholder Relationship Committee

As per the guidelines set out in the Listing Agreements with the Bombay Stock Exchanges and to be in compliance with Section 178 of Companies Act, 2013, the Board has constituted Shareholders/Investor Grievances and Share Transfer Committee, comprising three Non- Executive Directors namely Mr. Mukesh Motasha, Mr. Deepak Motasha and Mr. Arvind Motasha who resigned from the Company and committee was reconstituted and Mr. Jayesh Motasha, Mrs. Harsha Mukesh Shah and Mrs. Avani Jolly Pandit duly appointed as a Member.

The terms of reference of the Committee includes inter-alia, approves share transfer, issue of duplicate certificates and oversees and reviews all matters relating to transfer of securities of the Company. The Committee also look into redressal of shareholders/investors complaints in regard to transfer of shares, non- receipt of Annual Report, dividend etc.

The Committee oversees the performance of the Registrars and Share Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services. The Committee also monitors the implementation and compliance of the Company's Code of Practices and procedures for fair disclosures of unpublished price sensitive information pursuant to Regulation of SEBI (Prohibition of Insider Trading) Regulations, 2015 along with regulations 1992.

The composition of the Stakeholder Relationship Committee is as follows:

Composition: The Committee comprises 3 Non-Executive Directors of the Company. During the year it held 5 meetings 30th June, 2018, 30th September, 2018, 31st December, 2018, 16th February, 2019 and 14th March, 2019.

Sr. No.	Name of the Member	Meeting Attended
1.	**Mr. Mukesh A. Motasha - Chairman	4
2.	**Mr. Deepak A. Motasha	4
3.	**Mr. Arvind Motasha	3
4.	**Mr. Vinod Shah	1
5.	*Mr. Jayesh Motasha- Chairman	1
6.	*Mrs. Harsha Mukesh Shah - Member	1
7.	*Mrs. Avani Jolly Pandit - Member	1

**Mr. Arvind Motasha resigned on 16/02/2019 and Mr. Vinod Shah appointed as a Member on 16/02/2019 and Mr. Mukesh Motasha, Mr. Vinod Shah and Mr. Deepak Motasha have resigned from the directorship of the Company on 14/03/2019.

*Mrs. Harsha Mukesh Shah and Mrs. Avani Jolly Pandit have appointed as a Member in Stakeholder Relationship Committee on 11/03/2019 and Mr. Jayesh Motasha have appointed as a Member in Stakeholder Relationship Committee on 14/03/2019.

The total number of complaints received, and replied to the satisfaction of the shareholders, during the year ended 31st March, 2019 was NIL. Outstanding complaints as on 31st March, 2019 were Nil.

Annual Report 2018-2019

The Company has acted upon all valid share transfer requests received during the year 2018- 2019. No request for transfer and dematerialization were pending as on 31st March, 2019.

Number of shareholders complaints received during the year	NIL
Number of Complaints solved to the satisfaction of shareholders during the year	NIL
Number of pending Complaint as on 31.03.2019	NIL
Number of Share Transfer pending for approval as at 31.03.2019	NIL

5. Nomination and Remuneration Committee

The Nomination and Remuneration Committee consist of 3 Non-Executive Directors namely Mr. Mukesh Motasha, Mr. Arvind Motasha and Mr. Deepak Motasha has resigned and committee was reconstituted by appointing Mrs. Avani Pandit, Mrs. Harsha Shah and Mr. Jayesh Motasha. Broad terms of reference of Nomination and Remuneration committee included recommendation to the Board for salary/ perquisites payable to the Managing Director/ Whole time Directors/ Executive Directors/ Key Managerial Personnel and other top-level management.

Composition: The Committee comprises 3 Non-Executive Directors of the Company. During the year there were three meetings conducted i.e. 16th February 2019, 11th March, 2019 and 14th March, 2019.

Sr. No.	Name of the Member	Meeting Attended
1.	**Mr. Mukesh A. Motasha - Chairman	2
2.	**Mr. Deepak A. Motasha	2
3.	**Mr. Arvind Motasha	0
4.	**Mr. Vinod Shah	1
5.	*Mr. Jayesh Motasha- Chairman	1
6.	*Mrs. Harsha Mukesh Shah - Member	1
7.	*Mrs. Avani Jolly Pandit - Member	1

**Mr. Arvind Motasha resigned on 16/02/2019 and Mr. Vinod Shah appointed as a Member on 16/02/2019 and Mr. Mukesh Motasha, Mr. Vinod Shah and Mr. Deepak Motasha have resigned from the directorship of the Company on 14/03/2019.

*Mrs. Harsha Mukesh Shah and Mrs. Avani Jolly Pandit have appointed as a Member in Nomination and Remuneration Committee on 11/03/2019.

Details of Remuneration paid for the year 2018-19 are as under:

Sr. No	Name	Salary	Perquisites
1.	Mr. Mahesh K. Shah	9,00,000	28,800
2.	**Mr. Vinod K. Shah	7,95,536	25,200
3.	**Ms. Kavita Bachwani	9,44,167	-
4.	*Mr. Urvish Shah	56,126	-

**Mr. Vinod Shah and Ms. Kavita Bachwani, Director of the Company have resigned on 14/03/2019.

*Mr. Urvish Shah was appointed as CFO of the Company on 14/03/2019 and resigned on 02/07/2019.

The Nomination & Remuneration policy is available on website i.e. www.rcvp.in.

No sitting fees are paid to any of the Directors for attending Board Meetings/ Audit Committee / Stakeholder Relationship Committee and Nomination and Remuneration Committee.

Annual Report 2018-2019

6. Risk Management Policy

The Board of Directors has adopted the Risk Management policy for minimisation of various risks to be dealt by the company. The same is disclosed on the company website: - www.rcvp.in

7. Code of Conduct

The Company has in place a Code of Conduct framed specifically in compliance with the provisions of Regulation 17 of the Listing Regulations. The matters covered in this code are of utmost importance to the Company, its shareholders, clients and business partners. The purpose of this code is to articulate highest standards of honesty, integrity, ethical and law-abiding behavior. It also aims to encourage the observance of these standards to protect and promote the interest of shareholders, employees, customers, suppliers and creditors. It sets out the responsibility, accountability and report and investigate any reported violations of the Code or unethical or unlawful behavior.

The Code of Conduct applicable to Board members and key employees of the Company has been posted on the Company website. For the year under review, all Board members and senior management personnel of the Company have confirmed their adherence to the provisions of the said Code. A certificate from the Managing Director this effect is attached to this Report. The same has been posted on the website www.rcvp.in.

8. Disclosures

a) General Body Meetings

The details of the last Three Annual General Meetings of the Company were held as under:

Year	2015-2016	2016-2017	2017-2018
Date	30.09.2016	26.09.2017	28.09.2018
Time	12.30 p.m.	12.30 p.m.	12.30 p.m.
Venue	Company's Registered Office at 60 CD, Shlok, Govt. Ind. Estate, Charkop, Kandivli (West), Mumbai 400 067.	Company's Registered Office at 60 CD, Shlok, Govt. Ind. Estate, Charkop, Kandivli (West), Mumbai 400 067.	Company's Registered Office at 60 CD, Shlok, Govt. Ind. Estate, Charkop, Kandivli (West), Mumbai 400 067.

Mr. Mahesh K. Shah, Managing Director was Compliance Officer and Ms. Nivedita Juvatkar is appointed on 18/04/2019 as a Company Secretary and Compliance Officer.

The following are the special resolutions passed at the Annual General Meeting held in the last three years.

AGM held on	Special Resolution passed	Summary
30/09/2016	Yes	a) Approval to enter into a contract with related party under section 188 of the Companies Act, 2013. b) Re-appointment of Mr. Mahesh Shah as Managing Director. c) Re-appointment of Mr. Vinod Shah as Whole Time Director.
26/09/2017	Yes	a) Approval of borrowing money upto Rs. 500 Crores. b) Approval of creation of charge/security over the assets of the Company in respect of borrowing. c) Approval for availing/ already availed financial assistance from the related parties. d) Approval to enter into a contract with related party under section 188 of the Companies Act, 2013.
28/09/2018	Yes	a) Approval of the Special Resolution under section 180 (1)(a). b) Approval for availing/ already availed financial assistance from the related parties.

Annual Report 2018-2019

There were no resolutions passed through Postal Ballot

b) Related Party Transactions:

The Company has not entered into any material significant transactions with its promoters, Directors or the management or relatives etc. that may have potential conflict with the interest of the Company at large during the year.

Attention of members is drawn to the disclosures of transactions with the related parties set out in Notes on Accounts - Note No. 30, forming part of Annual Report.

All the related party transactions in the ordinary course of business are placed periodically before the Audit Committee and they are negotiated on arm's length basis and are only intended to further the interest of the Company

The Policy on Materiality of Related Party Transaction is available on our website: www.rcvp.in

c) Listing Agreement:

The Company has complied with all requirements of the Listing Agreement entered into with the Stock Exchange as well as the regulations and guidelines of SEBI LODR (Regulations, 2015). The Government of India notified certain provisions of the Insolvency and Bankruptcy Code, 2016 ("IBC") w.e.f. December 01, 2016 which had the effect of abatement of the pending proceedings of the Company before the Hon'ble BIFR. The management was unable to attract and induct Professional and Independent Directors to meet the requirements of Regulation 36 (3) of the SEBI, LODR. Consequently, there were penalties imposed by Stock Exchange for non-compliance of appointment of Independent Director(s) under Regulation 17(1),18(1) and 19(1) and for non-appointment of Company Secretary under Regulation 6(1).

d) Whistle Blower Policy:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behavior.

No person has been denied access to the Chairman of the audit committee. The Whistleblower Policy is available on our website: www.rcvp.in.

e) Disclosures on Risk Management:

The Company has laid down procedures to inform the members of the Board about the risk assessment and minimisation procedures and the same is reviewed by the Board periodically.

f) Disclosure of Accounting Treatment:

In the preparation of the financial statements, the Company has followed INDAS issued by The Institute of Chartered Accountant of India to the extent applicable.

OTHER DISCLOSURES:

- i. Material significant related party transactions which may have potential conflict with the interests of the Company at large: -(NO)

Annual Report 2018-2019

- ii. Material financial and commercial transactions of senior management, where they may have had personal interest, and which had potential conflict with the interests of the Company at large: -(NO)

9. MEANS OF COMMUNICATION

The quarterly and half yearly unaudited and annual audited financial results were published in 'Financial Express' in English and 'Mumbai Mitra' in Marathi (regional language). The quarterly financial results, shareholding pattern, reports on compliance with corporate governance, annual reports, etc. are regularly uploaded on the Company's website - 'www.rcvp.in', in compliance with Regulation 46 and 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Presentation made to the Analyst and the Institutional Investors after the declaration of the quarterly, half yearly and annual results are also displayed on the Company's website. The Annual Report is circulated to all members and is also available on the Company's website.

10. GENERAL SHAREHOLDER INFORMATION

A.	Annual General meeting																																																								
	Date and Time	30 th September, 2019 at 12.30 p.m.																																																							
	Venue	At Conference Room of 60 CD Shlok Government Industrial Estate, Charkop, Kandivli (West), Mumbai 400 067																																																							
B.	Financial Calendar	April 1 st , 2019 to March 31 st , 2020																																																							
	Financial Reporting for 1 st Quarter ending 30 th June, 2019	On or before August 14 th , 2019.																																																							
	Financial Reporting for 2 nd Quarter ending 30 th Sept, 2019	On or before November 14 th , 2019																																																							
	Financial Reporting for 3rd Quarter ending 31 st Dec, 2019	On or before the February 14 th , 2020																																																							
	Audited Results for the year ending March, 2020	On or before May 30 th , 2020																																																							
C.	Date of Book closure	Beginning from Tuesday, 24 th September, 2019 to Monday 30 th September, 2019 (both days inclusive)																																																							
D.	Dividend payment date	Not applicable																																																							
E.	Listing on Stock Exchanges	BSE LTD																																																							
F.	Stock Code	BSE Ltd., Mumbai Scrip Code: 526193 Demat ISIN No. CDSL & NSDL: INE618A01011																																																							
G.	Market price data (High, Low Market price on BSE Limited during each month of the financial year.																																																								
	<table border="1"> <thead> <tr> <th rowspan="2">Month</th> <th colspan="2">Price</th> <th rowspan="2">Total no. of Shares traded</th> </tr> <tr> <th>High (Rs.)</th> <th>Low(Rs.)</th> </tr> </thead> <tbody> <tr> <td>April' 2018</td> <td>9.30</td> <td>6.72</td> <td>11,520</td> </tr> <tr> <td>May' 2018</td> <td>7.23</td> <td>7.23</td> <td>5</td> </tr> <tr> <td>June' 2018</td> <td>7.23</td> <td>6.88</td> <td>828</td> </tr> <tr> <td>July' 2018</td> <td>6.54</td> <td>6.54</td> <td>1,800</td> </tr> <tr> <td>August' 2018</td> <td>6.86</td> <td>6.52</td> <td>900</td> </tr> <tr> <td>September' 2018</td> <td>6.52</td> <td>6.52</td> <td>53</td> </tr> <tr> <td>October' 2018</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>November' 2018</td> <td>6.52</td> <td>6.52</td> <td>125</td> </tr> <tr> <td>December' 2018</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>January' 2019</td> <td>7.18</td> <td>6.83</td> <td>503</td> </tr> <tr> <td>February' 2019</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>March' 2019</td> <td>7.18</td> <td>7.18</td> <td>5</td> </tr> </tbody> </table>			Month	Price		Total no. of Shares traded	High (Rs.)	Low(Rs.)	April' 2018	9.30	6.72	11,520	May' 2018	7.23	7.23	5	June' 2018	7.23	6.88	828	July' 2018	6.54	6.54	1,800	August' 2018	6.86	6.52	900	September' 2018	6.52	6.52	53	October' 2018	0	0	0	November' 2018	6.52	6.52	125	December' 2018	0	0	0	January' 2019	7.18	6.83	503	February' 2019	0	0	0	March' 2019	7.18	7.18	5
Month	Price		Total no. of Shares traded																																																						
	High (Rs.)	Low(Rs.)																																																							
April' 2018	9.30	6.72	11,520																																																						
May' 2018	7.23	7.23	5																																																						
June' 2018	7.23	6.88	828																																																						
July' 2018	6.54	6.54	1,800																																																						
August' 2018	6.86	6.52	900																																																						
September' 2018	6.52	6.52	53																																																						
October' 2018	0	0	0																																																						
November' 2018	6.52	6.52	125																																																						
December' 2018	0	0	0																																																						
January' 2019	7.18	6.83	503																																																						
February' 2019	0	0	0																																																						
March' 2019	7.18	7.18	5																																																						

Annual Report 2018-2019

H.	Address for correspondence																																																						
	Registrar and Share Transfer Agent																																																						
	M/s. Universal Capital Securities Private Limited 21, Shakil Niwas, Mahakali Caves Road, Andheri (East) Mumbai 400 093. Tel No. 022- 28366620/ 28257641/28262920																																																						
	Company's Share Department and Compliance Officer for Investor Grievance Redressal																																																						
	Ms. Nivedita Juvatkar, Company Secretary and Compliance Officer, will be available at the following Registered Office address: Royal Cushion Vinyl Products Limited. 60 CD "SHLOK" Government Ind. Estate, Charkop, Kandivli (West), Mumbai 400 067 Tel No. 022- 28603516, Email: legalho83@gmail.com																																																						
I.	Share Transfer System																																																						
	M/s. Universal Capital Securities Private Limited has been the Registrar & Transfer Agents of the Company. The share transfers which are received in physical form are processed in the cycle of 15 days and the share certificates are returned within 30 days from the date of receipt, subject to the documents being valid and complete in all respect. The power to Share Transfer has been delegated to Registrar and Transfer Agents. Demat requests are processed and completed within an average period of 15 days from the date of receipt provided they are in order.																																																						
J.	Distribution of shareholding as on 31st March, 2019																																																						
	<table border="1"> <thead> <tr> <th>Range No. of equity shares</th> <th>No. of Shareholder</th> <th>%</th> <th>No. of Shares</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Upto 500</td> <td>2698</td> <td>83.09</td> <td>4,81,945</td> <td>3.99</td> </tr> <tr> <td>501 – 1000</td> <td>255</td> <td>7.85</td> <td>2,03,351</td> <td>1.69</td> </tr> <tr> <td>1001 – 2000</td> <td>114</td> <td>3.51</td> <td>1,75,388</td> <td>1.45</td> </tr> <tr> <td>2001 – 3000</td> <td>37</td> <td>1.14</td> <td>91,589</td> <td>0.76</td> </tr> <tr> <td>3001 – 4000</td> <td>27</td> <td>0.83</td> <td>94,764</td> <td>0.78</td> </tr> <tr> <td>4001 – 5000</td> <td>24</td> <td>0.74</td> <td>1,11,857</td> <td>0.93</td> </tr> <tr> <td>5001 – 10000</td> <td>32</td> <td>0.99</td> <td>2,21,948</td> <td>1.84</td> </tr> <tr> <td>10001 and above</td> <td>60</td> <td>1.85</td> <td>106,86,370</td> <td>88.56</td> </tr> <tr> <td>Total</td> <td>3247</td> <td>100.00</td> <td>120,67,212</td> <td>100.00</td> </tr> </tbody> </table>					Range No. of equity shares	No. of Shareholder	%	No. of Shares	%	Upto 500	2698	83.09	4,81,945	3.99	501 – 1000	255	7.85	2,03,351	1.69	1001 – 2000	114	3.51	1,75,388	1.45	2001 – 3000	37	1.14	91,589	0.76	3001 – 4000	27	0.83	94,764	0.78	4001 – 5000	24	0.74	1,11,857	0.93	5001 – 10000	32	0.99	2,21,948	1.84	10001 and above	60	1.85	106,86,370	88.56	Total	3247	100.00	120,67,212	100.00
Range No. of equity shares	No. of Shareholder	%	No. of Shares	%																																																			
Upto 500	2698	83.09	4,81,945	3.99																																																			
501 – 1000	255	7.85	2,03,351	1.69																																																			
1001 – 2000	114	3.51	1,75,388	1.45																																																			
2001 – 3000	37	1.14	91,589	0.76																																																			
3001 – 4000	27	0.83	94,764	0.78																																																			
4001 – 5000	24	0.74	1,11,857	0.93																																																			
5001 – 10000	32	0.99	2,21,948	1.84																																																			
10001 and above	60	1.85	106,86,370	88.56																																																			
Total	3247	100.00	120,67,212	100.00																																																			
K.	Shareholding Pattern as on 31st March, 2019																																																						
	<table border="1"> <thead> <tr> <th>Category</th> <th>No. of Shares</th> <th>% of Shareholding</th> </tr> </thead> <tbody> <tr> <td>Promoters (Including Foreign Promoters)</td> <td>79,83,128</td> <td>66.16</td> </tr> <tr> <td>Mutual Fund & UTI</td> <td>5,300</td> <td>0.04</td> </tr> <tr> <td>Banks, Financial Institutions, etc.</td> <td>6,81,319</td> <td>5.65</td> </tr> <tr> <td>Private Corporate Bodies</td> <td>4,66,067</td> <td>3.86</td> </tr> <tr> <td>NRIs</td> <td>3,800</td> <td>0.03</td> </tr> <tr> <td>Indian Public</td> <td>29,27,598</td> <td>24.26</td> </tr> <tr> <td>Grand Total</td> <td>1,20,67,212</td> <td>100.00</td> </tr> </tbody> </table>					Category	No. of Shares	% of Shareholding	Promoters (Including Foreign Promoters)	79,83,128	66.16	Mutual Fund & UTI	5,300	0.04	Banks, Financial Institutions, etc.	6,81,319	5.65	Private Corporate Bodies	4,66,067	3.86	NRIs	3,800	0.03	Indian Public	29,27,598	24.26	Grand Total	1,20,67,212	100.00																										
Category	No. of Shares	% of Shareholding																																																					
Promoters (Including Foreign Promoters)	79,83,128	66.16																																																					
Mutual Fund & UTI	5,300	0.04																																																					
Banks, Financial Institutions, etc.	6,81,319	5.65																																																					
Private Corporate Bodies	4,66,067	3.86																																																					
NRIs	3,800	0.03																																																					
Indian Public	29,27,598	24.26																																																					
Grand Total	1,20,67,212	100.00																																																					
L.	Dematerialization of Shares and Liquidity																																																						
	11,37,255 (9.42%) of Equity Shares of Rs. 10/- each held in CDSL and 71,15,592 (58.97%) of Equity shares held in NSDL have been dematerialized as on 31 st March 2019.																																																						

Annual Report 2018-2019

11. CFO Certification

As required under the Listing Agreement and Regulation 17(8) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CFO's Certification of the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting for the financial year ended March 31st, 2019, was placed before Board of Directors.

12. Compliance

A Certificate has been obtained from the Statutory Auditor of the Company regarding Compliance of conditions of Corporate Governance & is attached to this report.

On Behalf of the Board of Directors
For **Royal Cushion Vinyl Products Limited**

Place: Mumbai
Date:23/08/2019

Mahesh Shah
Managing Director
(DIN 00054351)

Certificate by Managing Director and Chief Financial Officer in Terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is certified as under that:

We have reviewed the financial statements for the quarter/ year ended March 31, 2019 and certify that:

- a) These statements to the best of our knowledge and belief:
 - I. Do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading:
 - II. Present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which is fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for the financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and that no material deficiencies in the design or operation of internal controls were observed in the year ended March 31, 2019.
- d) We have also indicated to the Auditors and the Audit Committee.
 - (i) There have been no significant changes in Internal Controls with respect to financial reporting during the year.
 - (ii) There have been no significant change in accounting policies during the year.
 - (iii) There have no instances of significant fraud of which we have become aware.

This Certificate is given by the undersigned with full knowledge that on its faith and strength, full reliance is placed by the Board of Directors of the Company.

Place: Mumbai
Dated: 29th May, 2019

Mahesh K Shah
Managing Director
00054351

Urvish Shah
CFO

Annual Report 2018-2019

Declaration on Compliance with the Company's Code of Conduct

To,

The Members of
Royal Cushion Vinyl Products Limited

I confirm that all Directors and members of Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the year ended March 31, 2019.

For **Royal Cushion Vinyl Products Limited**

Place : Mumbai
Date : August 23, 2019

Mahesh Shah
Chairman and Managing Director
DIN 00054351

Certificate from Company Secretary in Practice

In terms of Regulation 34(3) read with Schedule V Para C(10)(i) to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (SEBI) **(Listing Obligations and Disclosure Requirements) Regulations, 2015)** in respect of ROYAL CUSHION VINYL PRODUCTS LIMITED (CIN: L24110MH1983PLC031395) I hereby certify that :

On the basis of the written representation/ declaration received from the Directors and taken on record by the Board of Directors, as on March 31, 2019, none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

Place: Mumbai
Dated: 29th May,2019

For and on behalf of
Loya & Associates
Practicing Company Secretary

Padma Loya
M No.25349
C.PNo.14972

Independent Auditor's Certificate on Corporate Governance

To
The Members of
Royal Cushion Vinyl Products Limited
Mumbai

1. We have examined the compliance of conditions of corporate governance by Royal Cushion Vinyl Products Limited ('the Company') for the year ended on 31st March 2019, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

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

Auditor's Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

Opinion

5. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March 2019. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

6. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

PLACE : VADODARA.
DATE : 23rd August, 2019

FOR BIPIN & CO.
Chartered Accountants
Firm Registration No. 101509W

(A.D.SHAH)
PARTNER
MEMBERSHIP NO. 126337

Annual Report 2018-2019

Independent Auditor's Report

To the Members of Royal Cushion Vinyl Products Limited Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of **Royal Cushion Vinyl Products Limited (the 'Company')**, which comprise the Balance Sheet as at March 31st 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31st 2019, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report. **Revenue recognition in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)**
Revenue recognition is significant audit risk within the Company. Risk exists in determination of transaction price in off-market transfer of investment by the company. The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.

Principal Audit Procedures

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

Annual Report 2018-2019

whether they were recognised in accordance with Ind-AS 115

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

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

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

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

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

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. 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.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining 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
-

Annual Report 2018-2019

the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

- If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.
 - Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. 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.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

15. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
16. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
17. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31st 2019 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) we have also audited the internal financial controls over financial reporting (IFCOFR) of the Company as on March 31st 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report as per "Annexure B" expressed an unmodified opinion;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance

Annual Report 2018-2019

- with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company has disclosed the impact of pending litigations on its financial position in the standalone financial statements;
- ii. the Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31st 2019;
- iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8th November, 2016 to 30th December, 2016 have not been made in the financial statements since they do not pertain to the financial year ended March 31st 2019.

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

PLACE: Vadodara
DATE: 29th May, 2019

CA Amit D Shah
Partner
Membership No.: 126337

Annexure A to the Independent Auditor's Report of even date to the members of Royal Cushion Vinyl Products Limited, on the standalone financial statements for the year ended March 31st 2019

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone 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, and to the best of our knowledge and belief, we report that:

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

Annual Report 2018-2019

of Company's products and services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (vii) a) According to the records of the Company, the Company is generally not regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Valued Added Tax and Cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, the undisputed statutory due which have remained outstanding as at 31st March, 2019, for a period of more than six months from the day they become payable are as under.

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

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

Sr. No.	Nature of the Status	Nature of the due	Amount	Period to which the amount relate	Forum where dispute is Pending
1.	The Central Excise Act	Custom Duty	21,05,053	Various year	CommissionerVadodara
2.	The FERA Act	Penalty	1,00,00,000	2002-03	Appellate Authority FERA New Delhi
3	The Income Tax Act	Penalty	48,52,408	Various years	Various Authorities
4	The Central Excise Act	Excise Duty	9,98,743	Various Year	CommissionerVadodara

- viii). The Company has defaulted in repayment of dues to financial institution and Banks, the Company was registered with the Board for industrial and financial reconstructions (BIFR) since Sep 2003. Total amount payable as on 31st March, 2019 to various Banks & Financial Institutions are as under as per Books of Account (subject to reconciliation in absence of bank statements)

NAME OF BANKS/ INSTITUTIONS	AMOUNT (₹)
SWAMINARAYAN CO-OP BANK LTD.	2,214,671
BARODA PEOPLES CO-OP BANK TERM LOAN	1,944,225
PANCHMAHAL DIST. CO-OP BANK LTD.	8,200,934
BARODA CITY CO-OP BANK	3,268,089
FINQUEST FINANCIAL SOLUTION PRIVATE LIMITED	2,372,044,523

- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, We report that No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) Based upon the audit procedures performed and the information and explanations given by the management, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) According to the information and explanations given by the management and based on our examinations of the records of the Company, during the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, provisions of clause 3(xiv) of the Order are not applicable.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

Annual Report 2018-2019

(xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order is not applicable to the Company and hence not commented upon.

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

PLACE: Vadodara
DATE: 29th May 2019

CA Amit D Shah
Partner
Membership No.: 126337

Annexure “B” to the Auditors’ Report

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

Independent Auditor’s report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

1. In conjunction with our audit of the standalone financial statements of Royal Cushion Vinyl Products Limited (the “Company”) as at and for the year ended March 31st 2019, we have audited the internal financial controls over financial reporting (IFCOFR) of the Company as of that date.

Management’s Responsibility for Internal Financial Controls

2. The Company’s Board of Directors 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 (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company’s 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 Act.

Auditors’ Responsibility

3. Our responsibility is to express an opinion on the Company’s IFCOFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCOFR and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCOFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCOFR and their operating effectiveness. Our audit of IFCOFR included obtaining an understanding of IFCOFR, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 IFCOFR.

Meaning of Internal Financial Controls over Financial Reporting

6. 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
-

Annual Report 2018-2019

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCOFR, 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 IFCOFR to future periods are subject to the risk that IFCOFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st 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 issued by the ICAI.

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

CA Amit D Shah
Partner
Membership No.: 126337

PLACE: Vadodara
DATE: 29th May 2019

Annual Report 2018-2019

Balance Sheet as at 31st March, 2019

(Amount in ₹)

Particulars	Notes	As at 31 st Mar, 2019	As at 31 st March, 2018
ASSETS			
(1) Non-current assets			
(a) Property Plant and Equipment	1	19,68,55,923	19,93,77,878
(b) Capital Work-in-Progress	1	39,92,328	15,612
(c) Investment Property	1	28,80,425	30,64,084
(d) Financial assets			
(i) Investments	2	20,20,278	17,85,941
(ii) Other Financial Assets	3	99,13,379	1,16,90,304
Total Non Current assets		21,56,62,333	21,59,33,819
(2) Current Assets			
(a) Inventories	4	12,55,75,873	13,92,42,457
(b) Financial Assets			
(i) Trade Receivables	5	2,33,72,394	2,89,64,785
(ii) Cash and Cash Equivalents	6	18,62,208	39,56,747
(iii) Bank Balances other than Cash and Cash Equivalents	7	21,87,156	12,80,850
(iv) Loans	8	9,05,900	10,79,493
(c) Other Current Assets	9	83,62,645	61,39,175
Total current assets		16,22,66,176	18,06,63,507
TOTAL ASSETS		37,79,28,509	39,65,97,326
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	10	12,06,72,120	12,06,72,120
(b) Other Equity	11	-4,58,21,18,066	-4,62,69,20,750
TOTAL EQUITY		-4,46,14,45,946	-4,50,62,48,630
Liabilities			
(1) Non-current Liabilities			
(a) Financial liabilities			
(i) Borrowings	12	3,28,40,00,851	3,21,60,97,475
(b) Provisions	13	58,76,14,088	78,87,90,684
Total Non-current liabilities		3,87,16,14,939	4,00,48,88,159
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	14		
- Due to Micro and Small Enterprises		66,23,833	-
- Others		94,55,92,035	82,45,99,871
(ii) Other Financial Liabilities	15	-	65,000
(b) Other current liabilities	16	1,22,20,108	7,15,62,074
(c) Provisions	17	33,23,540	17,30,852
Total current liabilities		96,77,59,516	89,79,57,797
Total liabilities		4,83,93,74,455	4,90,28,45,956
TOTAL EQUITY AND LIABILITIES		37,79,28,509	39,65,97,326

See accompanying Notes to the Financial Statements

1 to 43

As per our report of even date

For BIPIN & CO.

Chartered Accountants

Firm Reg. No. 101509W

Amit Shah

(Partner)

Membership No. 126337

For ROYAL CUSHION VINYL PRODUCTS LIMITED

MAHESH K SHAH

Chairman & Managing Director

00054351

JAYESH A MOTASHA

Director

00054236

URVISH SHAH

CFO

Place : VADODARA

Date : 29-05-2019

Place : MUMBAI

Date : 29-05-2019

Annual Report 2018-2019

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

(Amount in ₹)

Particulars	Note No	for the year ended 31 st March,2019	for the year ended 31 st March,2018
Revenue from Operations	18	73,53,64,858	73,30,55,340
Other Incomes	19	22,21,03,477	8,37,54,259
Total Income		95,74,68,335	81,68,09,599
Expenses			
Cost of Materials Consumed	20	57,89,80,839	52,56,12,632
Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress	21	1,44,01,027	2,00,37,442
Excise Duty	-	-	1,61,89,612
Employee Benefits Expense	22	6,55,83,268	6,63,73,879
Finance Costs	23	4,96,74,947	4,25,71,536
Depreciation and Amortization Expense	1	1,36,34,464	1,37,45,627
Other Expenses	24	19,11,83,808	20,21,82,443
Total Expenses		91,34,58,354	88,67,13,171
Profit/(Loss) before tax		4,40,09,981	(6,99,03,572)
Tax Expense:			
(1) Current Tax		-	-
(2) Deferred tax		-	-
Profit/(Loss) for the period after Tax		4,40,09,981	(6,99,03,572)
Other Comprehensive Income			
A Items that will not be reclassified to profit or loss			
(i) Income tax relating to items that will not be reclassified to profit or loss		7,92,703	51,36,126
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total Comprehensive Income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period)		4,48,02,684	(6,47,67,446)
Earnings per equity share (for continuing operations):			
(1) Basic		3.65	(5.79)
(2) Diluted		3.65	(5.79)
See accompanying Notes to the Financial Statements	1 to 43		

As per our report of even date

For BIPIN & CO.

Chartered Accountants

Firm Reg. No. 101509W

Amit Shah

(Partner)

Membership No. 126337

For ROYAL CUSHION VINYL PRODUCTS LIMITED

MAHESH K SHAH

Chairman & Managing Director

00054351

JAYESH A MOTASHA

Director

00054236

URVISH SHAH

CFO

Place : VADODARA

Date : 29-05-2019

Place : MUMBAI

Date : 29-05-2019

Annual Report 2018-2019

Statement of changes in Equity for the year ended 31st March, 2019

A. Equity Share Capital

(Amount in ₹)

Balance at the Beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
12,06,72,120	0	12,06,72,120

B. Other Equity

(Amount in ₹)

	OTHER EQUITY					Total
	Share Application money pending allotment	Reserves and Surplus				
		Capital reserves	Securities premium reserve	Investment Allowance Reserve	Retained Earnings	
Balance as at April 1, 2017	7,39,15,000	6,49,080	72,32,25,231	45,34,000	(5,29,05,61,615)	(4,48,82,38,304)
Profit/(Loss) for the year	-	-	-	-	(6,99,03,572)	(6,99,03,572)
Other comprehensive income for the year	(7,39,15,000)				51,36,126	(6,87,78,874)
Balance as at March 31, 2018	-	6,49,080	72,32,25,231	45,34,000	(5,35,53,29,061)	(4,62,69,20,750)
Profit/(Loss) for the year		-	-	-	4,40,09,981	4,40,09,981
Other comprehensive income for the year	-	-	-	-	* 7,92,703	7,92,703
Balance as at March 31, 2019	-	6,49,080	72,32,25,231	45,34,000	5,40,01,31,745	(4,58,21,18,066)

* Represents remeasurements of defined benefit plans

Annual Report 2018-2019

CASH FLOW STATEMENT

(Amount in ₹)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit /(Loss) before Tax	4,48,02,684	(6,47,67,446)
Adjustment for :		
Depreciation	1,36,34,464	1,19,30,483
Finance Cost	4,96,74,947	4,25,71,536
Commission on sales	(45,37,615)	-
Remeasurements of the defined benefit plans A/c	(7,92,703)	(51,36,126)
Miscellaneous Income	(1,14,694)	(5,05,773)
Interest Received	(7,53,293)	(7,46,314)
Profit on Sale of fixed assets	-	(24,53,252)
Lease Rent	(49,53,578)	(26,69,819)
Share of (Profit) loss from Partnership firm	(924)	(5,47,081)
Unclaimed Liabilities / Balance Written Back	(21,17,43,373)	(7,68,27,772)
Dividend Received	-	(4,248)
Operating profit before working capital changes	(11,47,84,085)	(9,91,55,812)
Adjustment for :		
A-1 Inventories	1,36,66,584	4,62,79,381
Trade & Other Receivables	55,92,391	1,54,11,899
Loans & Advances	(2,72,952)	95,23,359
Trade Payables	12,76,15,997	(2,56,26,450)
Unclaimed Liabilities / Balance Written Back	21,17,43,373	7,68,27,772
Other current liabilities	(5,94,06,966)	83,60,032
Provisions	(19,95,83,908)	9,93,54,519
Cash generated from operation	(1,54,29,566)	2,56,62,075
Cash after Extraordinary items	(1,54,29,566)	2,56,62,075
Net Cash from operating activities	(1,54,29,566)	2,56,62,075
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(1,49,05,564)	(2,26,38,982)
Sale of fixed assets	-	24,53,252
Sale of investments	(2,34,337)	9,82,919
Remeasurements of the defined benefit plans A/c	7,92,703	51,36,126
Interest Received	7,53,293	7,46,314
Commission on sales	45,37,615	-
Lease Rent	49,53,578	26,69,819
Share of loss from Partnership firm	924	5,47,081
Miscellaneous Income	1,14,692	5,05,772
Dividend Received	-	4,248
Net Cash Used for Investing Activities	(39,87,097)	(95,93,451)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Borrowing	6,79,03,376	10,23,58,088
Share application money	-	(7,39,15,000)

Annual Report 2018-2019

Interest paid	(4,96,74,947)	(4,25,71,536)
Net Cash Used from Financing Activities	1,82,28,429	(1,41,28,448)
Net Increase in cash and cash collection (A+B+C)	(11,88,233)	19,40,176
Cash & Cash Equivalents at the beginning of the year	52,37,597	32,97,422
Cash & Cash Equivalents at the end of the year	40,49,364	52,37,597

Cash and Cash Equivalents shall comprise of:-	
Particulars	Amount in ₹
a. Balances with banks	14,90,301
b. Cash on hand	3,71,907
c. Fixed Deposit with banks (Other Bank Balances other than Cash and Cash Equivalents)	21,87,156
Total	40,49,364

As per our report of even date
For BIPIN & CO.
Chartered Accountants
Firm Reg. No. 101509W

Amit Shah
(Partner)
Membership No. 126337

Place : VADODARA
Date : 29-05-2019

For ROYAL CUSHION VINYL PRODUCTS LIMITED

MAHESH K.SHAH
Chairman & Managing Director
00054351

JAYESH A MOTASHA
Director
00054236

URVISH SHAH
CFO

Place : MUMBAI
Date : 29-05-2019

Annual Report 2018-2019

Notes on Financial Statements for the year ended 31st March, 2019

01: Property, Plant and Equipment

	Land	Buildings	Plant & Equipment	Furniture & Fittings	Vehicle	Office Equipments	Total	(Amount in ₹) Capital Work in progress
Cost								
As at April 01, 2017	48,24,141	6,64,75,142	12,58,82,090	12,65,464	8,37,051	16,71,075	20,09,54,963	-
Additions	-	12,26,785	2,13,88,924	89,656	-	24,50,498	2,51,55,864	7,08,893
Disposals	(16,370)	-	(15,40,938)	-	(3,69,740)	-	(19,27,048)	(6,93,281)
As at March 31, 2018	48,07,771	6,77,01,927	14,57,30,077	13,55,120	4,67,311	41,21,573	22,41,83,778	15,612
Additions	-	9,61,858	97,26,400	-	-	2,40,593	1,09,28,850	39,76,716
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2019	48,07,771	6,86,63,785	15,54,56,476	13,55,120	4,67,311	43,62,166	23,51,12,629	39,92,328
Accumulated depreciation and impairment								
As at April 01, 2017	-	43,09,482	81,93,501	1,77,314	1,79,075	2,01,839	1,30,61,211	-
Depreciation for the year	-	41,96,312	87,30,962	1,19,868	1,61,904	3,50,786	1,35,59,833	-
Impairment	-	-	-	-	-	-	-	-
Disposals	-	-	(14,63,891)	-	(3,51,253)	-	(18,15,144)	-
As at March 31, 2018	-	85,05,795	1,54,60,572	2,97,182	(10,274)	5,52,625	2,48,05,900	-
Depreciation for the year	-	42,07,582	88,53,241	-	-	3,89,982	1,34,50,805	-
Impairment	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2019	-	1,27,13,376	2,43,13,813	2,97,182	(10,274)	9,42,607	3,82,56,705	-
Carrying amount								
As at March 31, 2018	48,07,771	5,91,96,132	13,02,69,505	10,57,938	4,77,585	35,68,948	19,93,77,878	30,64,084
As at March 31, 2019	48,07,771	5,59,50,408	13,11,42,663	10,57,938	4,77,585	34,19,559	19,68,55,923	28,80,425

Investment in Property, plant & equipment

	Land	Building	Total
Amount in ₹			
Cost			
As at April 01, 2017	46,558	32,83,270	33,29,828
Additions	-	1,03,449	1,03,449
Disposals	-	-	-
As at March 31, 2018	46,558	33,86,719	34,33,278
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2019	46,558	33,86,719	34,33,278
Accumulated depreciation and impairment			
As at April 01, 2017	-	1,83,399	1,83,399
Depreciation for the year	-	1,85,795	1,85,795
Impairment	-	-	-
Disposals	-	-	-
As at March 31, 2018	-	3,69,193	3,69,193
Depreciation for the year	-	1,83,659	1,83,659
Impairment	-	-	-
Disposals	-	-	-
As at March 31, 2019	-	5,52,853	5,52,853
Carrying amount			
As at March 31, 2018	46,558	30,17,526	30,64,084
As at March 31, 2019	46,558	28,33,867	28,80,425

Annual Report 2018-2019

Notes on Financial Statements for the year ended 31st March, 2019

				(Amount in ₹)
				(Amount in ₹)
02. INVESTMENT-NON-CURRENT	Units	As at	Units	As at
Particulars		31 st March,2019		31 st March,2018
Long Term Investment (at cost)				
A	Investment in Shares			
	i) <u>Unquoted : (Non Trade) in Equity</u>			
	<u>Investment in Shares of Subsidiary Company :</u>			
	4,50,200 Shares (PY.4,50,200) in Euro Royal Flor Limited (U.K.) of STG pound 1 (one) each fully paid up.	4,50,200	2,59,31,404	4,50,200
	Less : provision for diminution in value of investment	4,50,200	2,59,31,404	4,50,200
	30,000 (PY 30,000) equity shares in AB Corp Ltd of '10/- each fully paid up.	30,000	24,75,000	30,000
	Less : Provision for Diminution in value of Investment	30,000	24,75,000	30,000
	5,010 (PY 5,010) shares in Swaminarayan Co-op Bank Ltd. of '25/- each fully paid up.	5,010	1,25,250	5,010
	12,500 (PY.12,500) shares in Baroda Peoples Co-op Bank Ltd of '10/- each fully paid up.	12,500	1,25,000	12,500
	7,500 (PY.7,500) shares in Baroda City Co-op Bank Ltd. of '10/- each fully paid up.	7,500	75,000	7,500
	1,416 (PY.1,000)shares in Saraswat Co-op Bank Ltd. of '10/- each fully paid up. (Converted into 416 shares of Saraswat co-op bank ltd.against 1083 shares of Mandvi co-op Bank Ltd.)	1,416	20,830	1,416
B	<u>Government Securities</u>			
	National Saving Certificates (Pledged with Government Authorities)		2,000	2,000
C	<u>Investment by way of capital in a partnership firm</u>			
	Creative Investment		16,72,198	14,37,861
	Total		20,20,278	17,85,941
<hr/>				
	Particulars	As at	As at	
		31st March,2019	31st March,2018	
	Aggregate amount of unquoted investments	2,84,08,404	2,84,08,404	
	Aggregate Provision for the diminution in Value of investments	2,84,06,404	2,84,06,404	

- 2.1) The Company has made an investment of ₹.25,931,404 (£ 450.200) in Euroroyal Floors Ltd.("ERF") wholly owned subsidiary in U.K.The subsidiary also owes ₹,233,375,543 (Net of commission payable ₹.10,619,234) towards supply of goods made to it. The principal customers of ERF in Russia did not honor the debts, Due to this ERF in turn, could not pay its creditors. The Company has been informed by the ex-local Directors of ERF that one of the creditors had filed a suit for winding-up of ERF pursuant to which the High Court of Justice of U.K.made a winding-up order dated 11th June,2001 against ERF and the official receiver has been appointed to liquidate the assets of ERF. Thereafter order dated 12/03/2002 was passed and ERF is dissolved Under the circumstances, the Management had provided for diminution in value of investment made in ERF in the year 2000-01. As also, provision against the debt of ₹.233,375,543 due from ERF had been made during the earlier year.

Annual Report 2018-2019

Notes on Financial Statements for the year ended 31st March, 2019

(Amount in ₹)

03. OTHER FINANCIAL ASSETS-CURRENT

Particulars	As at 31 st March,2019	As at 31 st March,2018
Deposits	99,13,379	1,16,90,304
Total	99,13,379	1,16,90,304

04. INVENTORIES

Particulars	As at 31 st March,2019	As at 31 st March,2018
Raw materials	1,87,68,906	1,70,82,169
Work-in-progress	4,06,08,160	5,13,75,260
Finished goods	5,53,67,504	5,90,01,431
Packing Materials	21,91,049	26,69,215
Consumable Stores	83,87,454	88,73,882
Fuel	2,52,800	2,40,500
Total	12,55,75,873	13,92,42,457

05. TRADE RECEIVABLES

Particulars	As at 31 st March,2019	As at 31 st March,2018
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	1,13,19,664	79,92,944
Considered Doubtful	23,45,74,220	23,61,86,484
	24,58,93,884	24,41,79,428
Less : Provision for Doubtful Debts	23,45,74,220	23,61,86,484
	1,13,19,664	79,92,944
Others (Considered good)	1,20,52,730	2,09,71,841
Total	2,33,72,394	2,89,64,785

06. CASH AND CASH EQUIVALENTS

Particulars	As at 31 st March,2019	As at 31 st March,2018
a. Balances with banks	14,90,301	38,68,948
b. Cash on hand	3,71,907	87,799
Total	18,62,208	39,56,747

07. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31 st March,2019	As at 31 st March,2018
Fixed Deposit with banks	21,87,156	12,80,850
Total	21,87,156	12,80,850

Fixed deposit of ₹.21,87,156 (P.Y.₹.12,80,850) was held as security deposit against Bank Guarantee.

08. LOANS-CURRENT

Annual Report 2018-2019

Notes on Financial Statements for the year ended 31st March, 2019

(Amount in ₹)

Particulars	As at	
	31 st March, 2019	31 st March, 2018
Advances to Employees	9,05,900	10,12,211
Other Advances	-	67,282
Total	9,05,900	10,79,493

09. OTHER CURRENT ASSETS

(Unsecured, considered good)

Particulars	As at	
	31 st March, 2019	31 st March, 2018
Prepaid Expenses	1,65,667	4,06,718
Advances to Suppliers	20,59,503	41,22,265
Balance with Government authorities	61,37,475	16,10,192
Total	83,62,645	61,39,175

10. SHARE CAPITAL

Particulars	As at	
	31 st March, 2019	31 st March, 2018
Authorised : 30,000,000 (Previous year 30,000,000)		
Equity Shares of ₹.10/- each	30,00,00,000	30,00,00,000
Issued, Subscribed & Paid up 12,067,212 (Previous Year 12,067,212) Equity Shares of ₹.10/- each fully paid up	12,06,72,120	12,06,72,120
Total	12,06,72,120	12,06,72,120

10.1) Rights of Equity Shareholders

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

10.2) Reconciliation of the Shares outstanding and amount of share capital.

Particulars	As at Mar 31, 2019		As at Mar 31, 2018	
	Numbers	₹	Numbers	₹
Shares outstanding at the beginning of the year	1,20,67,212	12,06,72,120	1,20,67,212	12,06,72,120
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,20,67,212	12,06,72,120	1,20,67,212	12,06,72,120

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

Annual Report 2018-2019

Notes on Financial Statements for the year ended 31st March, 2019

(Amount in ₹)

	As at Mar 31, 2019		As at Mar 31, 2019		
	Name of Share holder	% of Holding	Name of Share holder	% of Holding	
1	Bhaktavatsala Trading & Consultancy Services LLP	10,35,210	8.58	10,35,210	8.58
2	Sahishnu Trading & Consultancy Services LLP	7,09,340	5.88	7,09,340	5.88
3	Shreedaha Trading & Consultancy Services LLP	7,09,300	5.88	7,09,300	5.88
4	Sughosh Trading & Consultancy Services LLP	7,09,310	5.88	7,09,310	5.88
5	Trilokatma Trading & Consultancy Services LLP	10,35,210	8.58	10,35,210	8.58
6	Lapada (Mauritius) Limited	28,80,000	23.87	28,80,000	23.87

11. OTHER EQUITY

Particulars	As at 31 st March, 2019		As at 31 st March, 2018	
a. CAPITAL RESERVE				
Opening Balance	6,49,080		6,49,080	
Addition	-		-	
Deduction	-		-	
Closing Balance		6,49,080		6,49,080
b. SECURITIES PREMIUM RESERVE				
Opening Balance	72,32,25,231		72,32,25,231	
Addition	-		-	
Deduction	-		-	
Closing Balance		72,32,25,231		72,32,25,231
c. INVESTMENT ALLOWANCE RESERVE				
Opening Balance	45,34,000		45,34,000	
Addition	-		-	
Deduction	-		-	
Closing Balance		45,34,000		45,34,000
d. SURPLUS/DEFICIT IN THE STATEMENT OF PROFIT & LOSS				
Opening Balance	(5,35,53,29,061)		(5,29,05,61,615)	
Remeasurement of defined benefits plans	7,92,703		51,36,126	
Add : Loss for the year	4,40,09,981		(6,99,03,572)	
Closing Balance		(5,31,05,26,377)		(5,35,53,29,061)
e. PROMOTERS				
Opening Balance	-		7,39,15,000	
Addition	-		-	
Deduction	-		7,39,15,000	
Closing Balance	-		-	
Total		(4,58,21,18,066)		(4,62,69,20,750)

Nature and Purpose of each reserve

Annual Report 2018-2019

Notes on Financial Statements for the year ended 31st March, 2019

(Amount in ₹)

- a) Capital reserve - During amalgamation, the excess of net assets taken, over the consideration paid, if any, is treated as capital reserve.
- b) Securities premium reserve - The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. This reserve is utilised in accordance with the provisions of the Companies Act 2013.
- c) Investment allowance reserve - Investment Allowance Reserve was created under the provisions of Income tax , when new machineries were purchased.

12. BORROWING

Particulars	As at31 st	As at31 st
	March, 2019	March, 2018
	Non Current	Non Current
<u>Secured</u>		
From Banks :	1,56,27,919	1,56,27,919
Loans from Financial Institutions :	2,38,09,18,196	2,38,35,62,564
Secured by way of first charge on movable & immovable properties presents & future subject to the prior charge on specified movable properties created in favor of bankers, by way of security for borrowing and further secured by personal guarantee of promotor directors of the Company.		
Loan from Others	58,96,72,609	57,28,87,203
<u>Unsecured</u>		
From Companies	1,35,00,000	60,00,000
From Directors	5,05,89,609	6,40,69,162
From Others	23,36,92,518	17,39,50,627
Total	3,28,40,00,851	3,21,60,97,475

- 12.1 (a) As in the past, in current year also, due to non-receipt of the statements / advices / balance confirmation certificates from the financial institutions / banks, book entries pertaining to banks and financial institutions, the balances could not be reconciled. Further, in absence of such details and information, the amount payable also could not be estimated or ascertained. Thus, bank balances and balances of such financial institutions as on 31.03.2019 are subject to adjustments, if any, to be carried out on receipt of the relevant statements / advices / balance confirmation certificates from banks/ financial institutions.
- (b) The original lenders of the Company namely IDBI, Bank of India, Oriental Bank of Commerce and EXIM Bank had assigned their dues to Asset Reconstruction Company of India Limited ('ARCIL') in the year 2006-07 and thereafter ARCIL assigned its rights in dues of the Company to SICOM Limited in the year 2011-12. During the financial year 2017-18, SICOM Limited assigned its rights in the dues outstanding from the Company to Finquest Financial Solutions Private Limited ('Finquest'). Similarly, during the financial year 2017-18, Saraswat Co-op Bank Ltd. assigned its rights in the dues outstanding from the Company to Finquest. Therefore, the outstanding loan balance of all these original lenders have been presented to the credit of Finquest. The Company has not provided interest on loan outstanding to the credit of Finquest. Similarly, the Company has not provided interest on loan outstanding of Swaminarayan Co-op Bank, Baroda Peoples Co-op Bank, Baroda City Co-op Bank and Panchmahal District Co-op Bank as the Company has already given one-time settlement proposal to these lenders. Had the Company provided interest as per practice followed in earlier years, loss would have been higher by ₹ 5,11,38,773 (P.Y. ₹ 5,35,57,562). Further, the Company had made an application to the Industries Commissionerate, Government of Gujarat ('GoG') for availing various reliefs and concessions provided to viable sick units located in Gujarat in terms of GoG's GR for reliefs and concessions to sick units. In terms of provisions of this GoG's GR, the Company have proposed to GoG and lenders of the Company namely Gujarat State Financial Corporation, Swaminarayan Co-op Bank, Baroda Peoples Co-op Bank, Baroda City Co-op Bank and Panchmahal District Co-op Bank to settle their dues by making payment of principal

Annual Report 2018-2019

Notes on Financial Statements for the year ended 31st March, 2019

outstanding dues. The GOG has registered the Company as a viable sick unit and granted relief and concession as per the order dated 20-07-2018, whereby Company to pay principal outstanding loan of ₹ 135.57 lacs to GSFC along with interest @ 9% PA.

- (c) The Directors of the Company along with their family members and group companies/associates have arranged loans from Deutsch Bank (DB) and Capital First Limited (CFL) by giving their personal property as collateral security. These loans are released by DB and CFL to Natroyal Industries Private Limited ('NIPL'). Pursuant to the arrangement / understanding between NIPL, Directors, associates and the Company, the said loan amount were transferred by NIPL to the Company and the Company has treated the same as Loan from NIPL. The installments including interest is paid on the said Loan by the Company. The principal loan repayment amount is debited to NIPL Loan Account and interest thereon is debited to interest account in the Company's Books of Accounts. The loan outstanding as on 31.03.2019 for DB is ₹ 1245.09 lacs and CFL is ₹ 1261.35 lacs.
- (d) The Company was registered as a sick company under the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985. The Company had submitted the revised Draft Rehabilitation Scheme ("DRS") containing proposals for revival of the Company with the erstwhile Hon'ble Board for Industrial and Financial Reconstruction ("BIFR"). The Hon'ble BIFR had circulated the revised DRS vide its order dated 11.06.2015, for consideration of the concerned parties and other related proceedings were pending before the Hon'ble BIFR at an advanced stage of final approval. The last hearing before Hon'ble BIFR was held on 22.11.2016. However, in the meantime, the Government of India notified certain provisions of the Insolvency and Bankruptcy Code, 2016 ("IBC") w.e.f. December 1, 2016 which had the effect of abatement of the pending proceedings of the Company before the Hon'ble BIFR. In terms of provisions of IBC, the said proceedings will be governed by the provisions of the newly notified IBC law. The Company had filed an application for initiation of Corporate Insolvency Resolution Process before NCLT, Mumbai under IBC law on 29.05.2017. Many hearings were taken place during last year, however, in the last hearing held on 23.04.2018, the Company withdrew the application from NCLT.

13. PROVISION - NON-CURRENT

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Provision for Employee Benefits		
Provision for Gratuity	1,62,00,690	1,69,27,114
Provision for Leave Benefits	30,18,619	26,28,884
Provision for Customs duty including interest	56,83,94,779	76,92,34,686
Total	58,76,14,088	78,87,90,684

- 13.1) Under the Duty Exemption Scheme of Advance License (as well as similar other license scheme) pursuant to Import & Export Policy of Government of India, duty free imports of raw materials are permitted and they are required to be used in manufacturing of goods for export, as well as, export of goods has to be effected within the time allowed, in terms of the scheme. The Company has availed of such licenses from time to time. In the past, it had fulfilled its export obligations. The Company had imported duty free raw material under certain licenses, however it could not effect export within the time allowed due to circumstances beyond the control of the Company. The Company has evaluated its obligations under the scheme and it has been advised that in view of non fulfillment of export obligations, the authorities can recover the import duty and mandatory interest thereon. From 01.04.2014 the Company has stopped providing interest on custom duty liability, as company has filed DRS with BIFR with a request to fulfill balance export obligation with seven year of approval of the DRS. The Government of India notified certain provisions of the Insolvency and Bankruptcy Code, 2016 ("IBC") w.e.f. December 1, 2016 which had the effect of abatement of the pending proceedings of the Company before the Hon'ble BIFR. Now, the said proceedings will be governed by the provisions of the newly notified IBC laws. The Company has filed an application before NCLT, Mumbai under IBC law on 29.05.2017. Many hearings were taken place during last one year, however, in the last hearing held on 23.04.2018, the Company withdrew the application from NCLT. During the year Company has got extension for fulfillment export obligation upto 15th June, 2022 under Five licences vide orders from DGFT. Hence the Company had recalculated the liability. Duty liability of ₹.414.97 lacs and interest there on RS.1593.43 lacs had been reversed in this year on these Five licences. Had the company provided interest

Annual Report 2018-2019

Notes on Financial Statements for the year ended 31st March, 2019

as per practice followed in earlier years loss would have been higher by ₹.278.66 lacs and reserve and surplus would have been lower to that extent during the year.

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

14. TRADE PAYABLES

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Micro & Small Enterprises (Ref Note No.35)	66,23,833	*
Others	94,55,92,035	82,45,99,871
Total	95,22,15,868	82,45,99,871

*Note: Figures for FY 2017-18 not available

15. OTHER FINANCIAL LAIBILITIES

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
(a) Deposits	-	65,000
Total	-	65,000

16. OTHER CURRENT LIABILITIES

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
(a) Advance from Customers	21,35,473	3,99,35,943
(b) Statutory Liabilities	40,20,691	3,16,26,131
(c) Other Liabilities	60,63,944	-
Total	1,22,20,108	7,15,62,074

17. PROVISIONS - CURRENT

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
(a) Provision for Gratuity	25,04,159	9,22,887
(b) Provision for Leave Benefits	8,19,381	8,07,965
Total	33,23,540	17,30,852

Particulars	for the year ended 31 st March, 2019	for the year ended 1 st March, 2018
18. REVENUE FROM OPERATION		
Sales of Products	73,17,21,511	72,99,80,756
Add: Exchange Rate Difference	-	3,46,128
	73,17,21,511	73,03,26,884
Other Operating Revenue		
Sale of Scrap	34,15,620	25,35,467
Others	2,27,727	1,92,989
	36,43,347	27,28,456
Total :	73,53,64,858	73,30,55,340

Annual Report 2018-2019

Notes on Financial Statements for the year ended 31st March, 2019

(Amount in ₹)

18.1)

Particulars	for the year ended 31 st March, 2019	for the year ended 1 st March, 2018
DETAILS OF TURNOVER :		
PVC Floor Covering	73,17,21,511	72,99,80,756
Total :	73,17,21,511	72,99,80,756

19. OTHER INCOMES

Interest	7,53,293	7,46,314
Dividend From Long Term Investment	-	4,248
Commission on sales	45,37,615	-
Unclaimed Liabilities /Provision / Balance Written Back	21,17,43,373	7,68,27,772
Lease Rent	49,53,578	26,69,819
Profit on sale of fixed assets	-	24,53,252
Share of profit from Partnership firm	924	5,47,081
Miscellaneous Income	1,14,694	5,05,773
Total :	22,21,03,477	8,37,54,259

19.1 Unclaimed Liabilities/Balances written back represents balances of various suppliers, advances from customers, balances of banks and financial Institutions etc. Which are no longer payable, have been written back.

20. COST OF MATERIAL CONSUMED

Opening Stock	1,70,82,169	3,37,48,659
Purchases	58,06,67,576	50,89,46,142
	59,77,49,745	54,26,94,801
Less: Closing Stock	1,87,68,906	1,70,82,169
Total :	57,89,80,839	52,56,12,632

20.1) Value of Consumption of directly imported and Indigenously obtained Raw materials & the percentage of each to the total.

RAW MATERIAL CONSUMED	Amount	%	Amount	%
Imported	39,22,099	1	10,04,05,177	19
Indigenous	57,50,58,740	99	42,52,07,455	81
Total :	57,89,80,839	100	52,56,12,632	100

RAW MATERIAL CONSUMED	Amount	Amount
PVC Resin	25,63,70,075	20,45,28,763
Plasticizers	13,68,38,024	12,28,58,297
Others	18,57,72,740	19,82,25,572
Total :	57,89,80,839	52,56,12,632

21. CHANGES IN INVENTORIES OF FINISHED GOODS

Work-In-Progress		
Opening Stock		
Finished Goods	5,90,01,431	4,98,12,677
Work-in-process	5,13,75,260	8,06,01,456
	11,03,76,691	13,04,14,133

Annual Report 2018-2019

Notes on Financial Statements for the year ended 31st March, 2019

(Amount in ₹)

Less: Closing Stock		
Finished Goods	5,53,67,504	5,90,01,431
Work-in-process	4,06,08,160	5,13,75,260
	9,59,75,664	11,03,76,691
Total :	1,44,01,027	2,00,37,442

21.1) Details of inventory of Finished Goods

	Amount	Amount
PVC Floor Covering	5,53,67,504	5,90,01,431
Total :	5,53,67,504	5,90,01,431

22. EMPLOYEES BENEFITS EXPENSE

Salaries	5,86,05,997	5,90,70,465
Contribution to Provident Fund and Other Funds	25,25,914	27,02,324
Gratuity	24,75,491	28,52,309
Staff Welfare	19,75,866	17,48,781
Total :	6,55,83,268	6,63,73,879

23. FINANCE COSTS

Interest Expenses :		
Interest on long term borrowings	4,65,87,237	3,94,06,609
Bank Charges	30,87,710	31,64,927
Total :	4,96,74,947	4,25,71,536

24. OTHER EXPENSES

Consumption of stores and spares	1,15,57,299	1,42,13,813
Consumption of packing material	2,80,81,152	2,85,10,734
Power and fuel	9,28,16,209	9,23,57,616
Rent Fork lift	27,55,662	24,99,857
Lease Rent	41,64,646	39,56,589
Rates and taxes	5,34,431	1,97,810
Insurance	5,79,854	7,07,052
Electricity Charges	13,07,293	13,84,512
Repairs and maintenance		
- Plant and machinery	64,44,326	80,61,692
- Buildings	1,75,437	9,16,949
- Others	78,459	1,84,463
Management Fees	-	2,46,170
Design & Development	5,02,996	8,58,350
Machine Operating Charges	37,67,150	39,15,654
Services and maintenance	1,07,13,999	1,39,43,361
Advertising and sales promotion	4,23,093	4,96,315
Travelling and conveyance	18,23,717	20,59,835
Telephone Expense	5,76,227	8,20,744
Vehicle Expense	42,09,225	43,37,096
Legal and professional fees	63,51,518	57,12,688
Payment to auditor		
- Audit fees	2,27,400	2,27,400
- Tax Audit fees	33,000	33,000

Annual Report 2018-2019

- Certification Work	45,000	19,575
Donation	-	25,000
Professional Tax - Company	12,000	-
Freight and forwarding charges Outward	24,85,552	30,82,640
Miscellaneous expenses	1,12,90,436	1,34,13,529
Bad debts w/off	2,27,727	-
Total :	19,11,83,808	20,21,82,443

Note 25 Categories of Financial Instruments and Fair Value Hierarchy

	Amount	As at 31-03-2019		
		Level 1	Level 2	Level 3
Financial Assets				
Classified as Fair value through Profit & Loss				
Investments :-				
In Equity Instruments (Unquoted)	-	-	-	-
Classified as Amortised Cost				
Investment in Partnership firms	16,72,198	-	-	-
Govt. Securities	2,000	-	-	-
Trade Receivables	2,33,72,394	-	-	-
Loans	9,05,900	-	-	-
Cash and cash equivalents	18,62,208	-	-	-
Bank Balances other than Cash and Cash Equivalents	21,87,156	-	-	-
Security Deposit	99,13,379	-	-	-
Total Financial Assets	3,99,15,234	-	-	-
Financial Liabilities				
Classified as Amortised Cost				
Borrowings	3,28,40,00,851	-	-	-
Trade payables	95,22,15,868	-	-	-
Other Financial Liability	-	-	-	-
Total Financial liabilities	4,23,62,16,719	-	-	-

	Amount	As at 31-03-2018		
		Level 1	Level 2	Level 3
Financial Assets				
Classified as Fair value through Profit & Loss				
Investments :-				
In Equity Instruments (Unquoted)	-	-	-	-
Classified as Amortised Cost				
Investment in Partnership firms	14,37,861	-	-	-
Govt. Securities	2,000	-	-	-
Trade Receivables	2,89,64,785	-	-	-
Loans	10,79,493	-	-	-
Cash and cash equivalents	39,56,747	-	-	-
Bank Balances other than Cash and Cash Equivalents	12,80,850	-	-	-
Security Deposit	1,16,90,304	-	-	-
Total Financial Assets	4,84,12,040	-	-	-
Financial Liabilities				
Classified as Amortised Cost				

Annual Report 2018-2019

Borrowings	3,21,60,97,475	-		
Trade payables	82,45,99,871	-		
Other Financial Liability	65,000	-		
Total Financial liabilities	4,04,07,62,346	-	-	-

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, it has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: Such inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset and liability, either directly or indirectly.

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

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

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

Note 26 Financial Risk Management

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

A) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. "The carrying amount of following financial assets represents the maximum credit exposure:

a) Trade and Other Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However credit risk with regards to trade receivable is almost negligible in case of its residential sale and lease rental business as the same is due to the fact that in case of its residential sell business it does not handover possession till entire outstanding is received. No impairment is observed on the carrying value of trade receivables.

b) Cash and Cash Equivalents

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

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable

Annual Report 2018-2019

losses or risking damage to the Company's reputation. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank overdrafts, bank loans, debentures and inter-corporate loans. "The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

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

(Amount in ₹)

Particulars	For the year ended 31.03.2019			
	Less than 1 Year	1-5 Years	above 5yrs	Total
Borrowings	3,04,93,24,547	11,24,49,517	12,22,26,787	3,28,40,00,851
Trade payables	95,22,15,868			95,22,15,868
Other financial liabilities	-	-	-	-
Total	4,00,15,40,415	11,24,49,517	12,22,26,787	4,23,62,16,719

Particulars	For the year ended 31.03.2018			
	Less than 1 Year	1-5 Years	above 5yrs	Total
Borrowings	3,01,52,51,728	8,63,34,533	11,45,11,214	3,21,60,97,475
Trade payables	82,45,99,871			82,45,99,871
Other financial liabilities	65,000	-		65,000
Total	3,83,99,16,599	8,63,34,533	11,45,11,214	4,04,07,62,346

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to commodity prices and the market value of its investments.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

Note 27 EMPLOYEE BENEFIT PLANS

(all figures in Indian Rupees)

Annexure 'A' GRATUITY

Defined Benefit Plans- as per actuarial valuation under Ind AS 19		
Period of accounting		
Valuation Result as at	31-Mar-19	31-Mar-18
I Changes in present value of obligations		
PVO at beginning of period	1,78,50,001	2,19,09,912
Interest cost	12,80,836	14,94,800
Current Service Cost	9,75,333	9,35,330
Past Service Cost- (non vested benefits)	-	-
Past Service Cost -(vested benefits)	-	-
Benefits Paid	(6,08,618)	(13,53,915)
Contributions by plan participants	-	-
Business Combinations	-	-
Curtailments	-	-
Settlements	-	-
Actuarial (Gain)/Loss on obligation	(7,92,703)	(51,36,126)
PVO at end of period	1,87,04,849	1,78,50,001

Annual Report 2018-2019

II Interest Expenses		
Interest cost	12,80,836	14,94,800
III Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning	-	-
Interest Income	-	-
IV Net Liability		
PVO at beginning of period	1,78,50,001	2,19,09,912
Fair Value of the Assets at beginning report	-	-
Net Liability	1,78,50,001	2,19,09,912
V Net Interest		
Interest Expenses	12,80,836	14,94,800
Interest Income	-	-
Net Interest	12,80,836	14,94,800
VI Actual return on plan assets		
Less Interest income included above	-	-
Return on plan assets excluding interest income	-	-
VII Actuarial (Gain)/loss on obligation		
Due to Demographic Assumption*	-	-
Due to Financial Assumption	(4,05,775)	(3,96,409)
Due to Experience	(3,86,928)	(47,39,717)
Total Actuarial (Gain)/Loss	(7,92,703)	(51,36,126)

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

Annexure 'A' GRATUITY

Accounting Disclosures Statement		
Period of accounting	31-Mar-19	31-Mar-18
VIII Fair Value of Plan Assets		
Opening Fair Value of Plan Asset	-	-
Adjustment to Opening Fair Value of Plan Asset	-	-
Return on Plan Assets excl. interest income	-	-
Interest Income	-	-
Contributions by Employer	6,08,618	13,53,915
Contributions by Employee	-	-
Benefits Paid	(6,08,618)	(13,53,915)
Fair Value of Plan Assets at end	-	-
IX Past Service Cost Recognised		
Past Service Cost- (non vested benefits)	-	-
Past Service Cost -(vested benefits)	-	-
Average remaining future service till vesting of the benefit	-	-
Recognised Past service Cost- non vested benefits	-	-
Recognised Past service Cost- vested benefits	-	-

Annual Report 2018-2019

Annual increase in healthcare costs		
Future Changes in maximum state healthcare benefits		
Expected average remaining service	10.19	11.34
Retirement Age	58 Years	58 Years
Employee Attrition Rate	Upto Age 40: 3% 41 to 50: 2% 51 and above: 1%	Upto Age 40: 3% 41 to 50: 2% 51 and above: 1%

Annexure 'A'

GRATUITY

Accounting Disclosures Statement	31-Mar-19		31-Mar-18	
Period of accounting	31-Mar-19		31-Mar-18	
XVIII Sensitivity Analysis				
	ER: Salary Escalation Rate		DR: Discount Rate	
	PVO ER +1%	PVO ER -1%	PVO DR +1%	PVO DR -1%
PVO	2,01,23,397	1,74,30,397	1,74,14,714	2,01,71,386

XIX Expected Payout

Year	Expected Outgo First	Expected Outgo Second	Expected Outgo Third	Expected Outgo Fourth	Expected Outgo Fifth	Expected Outgo Six to Ten years
PVO payouts	3,00,590	8,51,007	10,20,461	17,41,701	22,27,024	97,80,267

XX Asset Liability Comparisons

Year	31-Mar-15	31-Mar-16	31-Mar-17	31-Mar-18	31-Mar-19
PVO at end of period	1,64,27,232	1,83,69,543	2,19,09,912	1,78,50,001	1,87,04,849
Plan Assets	-	-	-	-	-
Surplus/(Deficit)	(1,64,27,232)	(1,83,69,543)	(2,19,09,912)	(1,78,50,001)	(1,87,04,849)
Experience adjustments on plan assets	-	-	-	-	-

Note 28 Capital management

The company's objectives when managing capital are to:

- > Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- > Maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on the face of the financial statements. The Company's objective for capital management is to maintain an optimum overall financial structure.

Consistent with others in the industry, the group monitors capital on the basis of the following gearing ratio:

	(Amount in ₹)	
Particulars	31-03-2019	31-03-2018
Gross Debt	3,28,40,00,851	3,21,60,97,475
Less: -		
Cash and Cash Equivalent	18,62,208	39,56,747
Other Bank Balance	21,87,156	12,80,850
Net debt (A)	3,27,99,51,487	3,21,08,59,877
Total Equity (B)	(4,46,14,45,946)	(4,50,62,48,630)
Net debt to equity ratio	(0.74)	(0.71)

Annual Report 2018-2019

Note 29 - Segment Reporting

The company is engaged in manufacture of PVC products (PVC Laminated Sheet/Tiles, PVC Leather Cloth). Based on the information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and assessment of performance, there are no reportable segments in accordance with the requirements of Indian Accounting Standard 108-'Operating Segment Reporting', notified under the Companies (Indian Accounting Standards) Rules, 2015.

Note 30 - Related Party transactions

1 NAME OF RELATED PARTIES AND RELATIONS

(A) SUBSIDIARY COMPANY	(B) ASSOCIATES CONCERN	(C) (i) KEY MANAGERIAL PERSONNEL
a) Euro royal Floors Ltd.	a) Natroyal Industries Pvt.Limited b) Sughosh Trading & Consultancy Services LLP c) Trilokatma Trading & Consultancy Services LLP d) Shreedaha Trading & Consultancy Services LLP e) Shreeshaha Trading & Consultancy Services LLP f) Bhaktavatsala Trading & Consultancy Services LLP g) Trilokesh Trading & Consultancy Services LLP h) Vishwamurthy Trading Consultancy Services LLP i) Sumukh Trading & Consultancy Services LLP j) Lokswami Trading & Consultancy Services LLP k) Sahishnu Trading & Consultancy Services LLP	a) Mahesh K Shah (Managing Director) b)* Jayesh Motasha (Non Executive Director) c)* Urvish Shah (CFO)
		(C) (ii) BOARD OF DIRECTORS
		a)**Vinod Shah (Whole Time Director) b)**Kavita Bachwani c)** Mukesh Motasha d)** Deepak Motasha e)**Arvind Motasha f)**Harsha Mukesh Shah g)**Avani Jolly Pandit

2 RELATED PARTY TRANSACTIONS

Sr.	Nature of Transaction	2018-19			2017-18		
		Subsidiary	Associates	Key Management	Subsidiary	Associates	Key Management
1	Sales of Finished Goods #	-	73,28,11,292	-	-	40,25,56,692	-
2	Purchase of Raw materials #	-	61,73,96,142	-	-	53,39,76,486	-
3	Remuneration	-	-	27,49,829	-	-	25,86,316
4	Interest paid	-	-	70,27,704	-	-	65,69,645
5	Lease Rent received		49,53,578			26,69,819	
6	Loan Received ##	-	3,27,00,000	-	-	11,24,15,000	-
7	Repayment of Loan (Ref. Note no. 12.1 (C))	-	4,33,47,962	-	-	4,31,90,529	-
8	Loan Payable	-	76,01,19,236	-	-	74,68,37,830	-
9	Trade Payable	-	61,68,99,432	-	-	52,41,05,417	-
10	Trade Receivable*	23,33,75,543	-	-	23,33,75,543	-	-

Disclosure in respect of material related parties transactions during the year

* In respect of above parties, there is no provision for doubtful debts as on 31st March'2019 except ₹ 233,375,543 provided in respect of due by the Subsidiary Company in earlier year.

Material/Goods sold to Natroyal Industries Pvt.Ltd. ₹732,811,292 (P.Y.₹402,556,692)

Material Purchase from Natroyal Industries Pvt.Ltd. ₹617,396,142 (P.Y.₹533,976,486)

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

These transactions are with Natroyal Industries Pvt Ltd

2 ** Mr. Jayesh Motasha was a Director and CFO up to 14/03/2019 and then he became Non- Executive Director

3 **Mr. Urvish Shah was appointed as a CFO on 14/03/2019

4 **Mr. Vinod Shah was a Whole Time Director and on 16/02/2019 his designation changed to Non- Executive Director and further he resigned on 14/03/2019

Annual Report 2018-2019

- 5 **Mr. Arvind Motasha was a Director and resigned on 16/02/2019 and Ms. Kavita Bachwani, Mr. Mukesh Motasha and Mr. Deepak Motasha was a Director and they resigned on 14/03/2019
- 6 **Mrs. Harsha Shah and Mrs. Avani Pandit was appointed as an Independent Director on 11/03/2019

Note 31 - Contingent Liabilities

Particulars	(Amount in ₹)	
	As at 31-03-2019	As at 31-03-2018
Claims against the Company not acknowledged as debts	45,86,64,195	45,86,64,195
Liabilities disputed -appeals filed with respect to :		
Income tax on account of disallowances / additions	21,05,053	21,05,053
Sales tax on account of rebate / classification	48,52,408	42,43,390
Excise duty on account of valuation / cenvat credit / service tax	-	-
Penalty Impose by FERA & disputed by Company	9,98,783	9,98,743
Others:	1,00,00,000	1,00,00,000
	-	-

Note 32 - Earnings per Share

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

Particulars	2018-19	2017-18
a. Net Profit after Tax available for equity shareholders (₹)	4,40,09,981	(6,99,03,572)
b. Number of Equity Shares of ₹ 10/-each outstanding during the year (Nos. of Shares)	1,20,67,212	1,20,67,212
c. Basic/ Diluted Earnings Per Share (₹ a/b)	3.65	(5.79)

Note 33 - Below is the table showing fair value of Investment Property

Investment Property:	31-03-2019	31-03-2018	31-03-2017
i Amounts recognised in profit or loss for investment properties Rental income	49,53,578	26,69,819	8,31,480
ii Cost value	28,80,425	30,64,084	31,46,430
iii Fair value	3,85,71,900	3,85,71,900	3,85,71,900
Estimation of fair value: Method of Estimation			
We have used the prevailing market rate for the purposes of arriving at the fair value of land and buildings.			

Note 34 The Company is a partner in M/s.Creative Investment, the details of the partners, their share in profit / loss and total capital of the partners of the firm as on 31.03.2019 are as under.

Sr.	a) Name of Partners	Share
i	Shri Jay Shah	46.25%
ii	Shri Vivek Motasha	46.25%
iii	M/s. Royal Cushion Vinyl Products Ltd.	7.50%
		100.00%

b) The total Capital of the Partners is ₹ 23,90,860 (net)

c) The above details about investment and names of partners are based on the information, certified by a partner.

Note 35 Disclosure pursuant to Section 22 of "The Micro, Small & Medium Enterprises Development Act, 2006" is as follows:

The Company has identified micro and small enterprises to whom the Company owes the dues which are outstanding as at the year end:

Annual Report 2018-2019

Particulars	2018-19	2017-18
i) Principal amount remaining unpaid at the end of the year	66,23,833	-
ii) Interest accrued at the end of the year	Nil	-
iii) Interest remaining unpaid, out of above, as at the end of the year	Nil	-
iv) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the Act.	Nil	-

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

Note 36 The Company has suffered substantial losses and due to this, the entire net worth has been eroded. However, operations are Continued and the accounts of the Company have been prepared on the basis that the Company is a going concern.

Note 37 Accounting for Taxes on Income

Net Profit in current year but due to substantial brought forward losses and the fact that there would not be taxable income in the near future, the deferred tax assets is not recognised. Deferred tax liability, if any would arise in the year in which the claim giving rise to timing difference is made. Accordingly, deferred tax asset/liability is not recognised.

Note 38 Sundry Debtors & Creditors (Including foreign suppliers) are subject to confirmation.

Note 39 The Directors / employees of the Company have acquired motor cars in their names from and out of the loans obtained by them from the banks, pursuant to an arrangement between the Directors / employees for use of the Company. Accordingly, the Company has accounted the said cars & the said loans in the name of the Directors / employees, as the assets & the liabilities of the Company, including the transactions in respect of repayment and payment of interest and principal etc.

Note 40 Figures in brackets in the schedules and Notes pertain to previous year.

Note 41 - CIF Value of Import	2018-19	2017-18
	Amount in ₹	Amount in ₹
Raw Materials	23,18,905	8,86,11,091
Stores & Spares	54,10,030	35,60,696
	77,28,935	9,21,71,787

Note 42 - Expenditure in foreign currency	2018-19	2017-18
(on accrual basis)	Amount in ₹	Amount in ₹
Stores & Spares	48,73,835	32,36,123
Foreign Travel	8,31,424	8,80,968

Note 43 The figures of previous year have been regrouped / reclassified / recast wherever necessary to compare with the current year's figures.

As per our report of even date
For BIPIN & CO.
Chartered Accountants
Firm Reg. No. 101509W

Amit Shah
(Partner)
Membership No. 126337

Place : VADODARA
Date : 29-05-2019

For ROYAL CUSHION VINYL PRODUCTS LIMITED

MAHESH K.SHAH
Chairman & Managing Director
00054351

JAYESH A MOTASHA
Director
00054236

URVISH SHAH
CFO

Place : MUMBAI
Date : 29-05-2019

ROYAL CUSHION VINYL PRODUCTS LIMITED
Notes to the Financial Statements for the year ended 31st March 2019

1. CORPORATE INFORMATION:

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

2. SIGNIFICANT ACCOUNTING POLICIES TO FINANCIAL STATEMENTS:

2.1 Basis for preparation of financial accounting

(i) Statement of Compliance

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

(ii) Historical cost conversion

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

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

(iii) Current and Non-Current classification

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

2.2 Use of estimates and assumptions

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

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

a) Property, plant and equipment

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

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

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

Significant spares which have a usage period in excess of one year are also considered as part of Property, Plant

Annual Report 2018-2019

and Equipment and are depreciated over their useful life.

Decommissioning costs, if any, on Property, Plant and Equipment are estimated at their present value and capitalised as part of such assets.

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Subsequent cost is included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset, is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation:

The Company depreciated its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Companies Act 2013 for the proportionate period of use during the year. The depreciation on assets is provided on the straight-line method considering the useful life and residual value of respective asset. The residual values are not more than 5% of the original cost of the asset. Depreciation on assets purchased / installed during the year is calculated on a pro-rata basis from the date of such purchase / installation.

The useful life considered for calculation of depreciation for various asset class are as follows:

Particulars	Useful Life
Building (Factory)	30
Building (Residential)	30
Building (Fences, Wells, etc)	30
Plant and Machinery	15
Electrical Installations	15
Laboratory Equipment	15
Furniture	10
Office equipment	5
Vehicles - Four Wheeler	8

b) Intangibles

Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses, if any. Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

De-recognition of intangible assets

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Gain or loss arising on such de-recognition is recognised in profit or loss and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

c) Inventories

Annual Report 2018-2019

Inventories are stated at the lower of cost or net realizable value. Cost is determined on FIFO basis and is reduced by CENVAT, VAT and GST credits available under the respective laws. Net realizable value is determined after reducing the estimated selling cost from the estimated selling price.

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

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

d) Impairment of non-financial assets

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

e) Revenue Recognition

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

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

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

Contract balances

Contract assets

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

Trade receivables

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

Contract liabilities

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

Dividend

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

Interest income

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

Annual Report 2018-2019

reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

e) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of noncash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

f) Leases

A lease that transfers substantially all the risks and rewards incidental to ownership to the lessee is classified as a finance lease. All other leases are classified as operating leases.

Company as a lessee-

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in profit or loss as finance costs, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are generally recognised as an expense in the profit or loss on a straight-line basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are also recognised as expenses in the periods in which they are incurred.

Company as a lessor-

Rental income from operating lease is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

The Company has entered into agreements/arrangements for taking certain assets on leave and license basis. The special disclosure in respect of these arrangements is given below.

(Amount in ₹)

Particulars	2018-19	2017-18
1) Lease payment recognised in Profit and Loss statement for the year.	41,64,646	39,56,589
2) Future MLP under the Leases in the aggregate and for each of the following periods	-	-
i) Not later than one year	41,64,646	36,35,686
ii) Later than one year & not later than Five Years.	89,34,724	54,42,295
iii) Due after five years	-	-

g) Foreign Currency Transactions

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

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

h) Taxation

Current Income Taxes:

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

Deferred Tax

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

MAT Credit:

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

i) Employee Benefits

Short term employee benefits:

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

Post-Employment benefits:

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

Annual Report 2018-2019

Comprehensive Income. Net interest expense and other expenses related to defined benefit plans are recognized in the Statement of Profit and Loss.

Defined contribution plans: All employees are covered under contributory provident fund benefit of a contribution of 12% of basic salary. Contributions to defined contribution scheme is charges to the Statement of Profit and Loss of the year, on due basis. There are no obligations other than the contributions payable to the respective funds.

Long-term employee benefits: Provision for long-term employee benefits comprise of compensated absences. There are measured on the basis of year-end actuarial valuation in line with the Company's rules for compensated absences. Re-measurement gains or losses are recognized in profit or loss in the period in which they arise.

j) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets less interest earned on the temporary investment. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to Statement of Profit & Loss in the year in which they are incurred.

k) Provisions and contingent liabilities

Provisions

The Company recognizes a provision when: it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

Contingent Liability and Contingent Assets

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortization recognised in accordance with the requirements for revenue recognition.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

Onerous Contract

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognizes impairment on the assets with the contract.

l) Earnings Per Share (EPS)

Basic earnings per Share is computed by dividing the net profit or loss for the year attributable to equity share holders, by the weighted average number of equity share outstanding during the period.

Diluted earning per share is computed by dividing the net profit or loss for the year attributable to equity shareholders, by the weighted number of equity and equivalent diluted equity shares outstanding during the year except where the results would be antidilutive.

m) Government Grants

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, it is recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic basis over the expected useful life of the related asset.

n) Cash and cash equivalents

Cash and cash equivalents include cash at bank and deposit with banks having original maturity of not more than three months. Bank deposit with original maturity period of more than three months but less than twelve months are classified as other bank balances.

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

o) Investments in the nature of equity in subsidiaries, joint venture and associates

The Company has elected to recognise its investments in equity instruments in subsidiaries, joint venture and associates at cost in the separate financial statements in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

p) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement-

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

Subsequent measurement-

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

- i. Financial assets measured at amortized cost
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit or loss (FVTPL)
 - i. *A financial asset that meets the following two conditions is measured at amortized cost.*
 - Business Model test: The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - Cash flow characteristics test: Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
 - ii. *A financial asset that meets the following two conditions is measured at fair value through OCI:-*
 - Business Model test: The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
 - Cash flow characteristics test: The contractual terms of the instrument give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.
 - iii. All other financial assets are measured at fair value through profit and loss.

Equity instruments

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

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

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

Derecognition-

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

- The contractual rights to receive cash flows from the asset have expired, or
- The Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Impairment of financial assets-

In accordance with Ind AS 109, The company assesses impairment based on expected credit losses (ECL) model at an amount equal to:-

- 12 months expected credit losses, or
- Lifetime expected credit losses depending upon whether there has been a significant increase in credit risk since initial recognition.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or any contractual right to receive cash or another financial asset.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial liabilities-

Initial recognition and measurement-

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

Subsequent measurement-

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

Financial liabilities at fair value through profit or loss-

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or is designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred principally for the purpose of repurchasing in the near term or on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking. This category also includes derivative entered into by the Company that are not designated and effective as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Derecognition-

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognize amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

q) Fair Value Measurement

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

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

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

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

r) Segment Reporting

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

s) Recent Accounting pronouncements

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 introducing /amending the following standards:

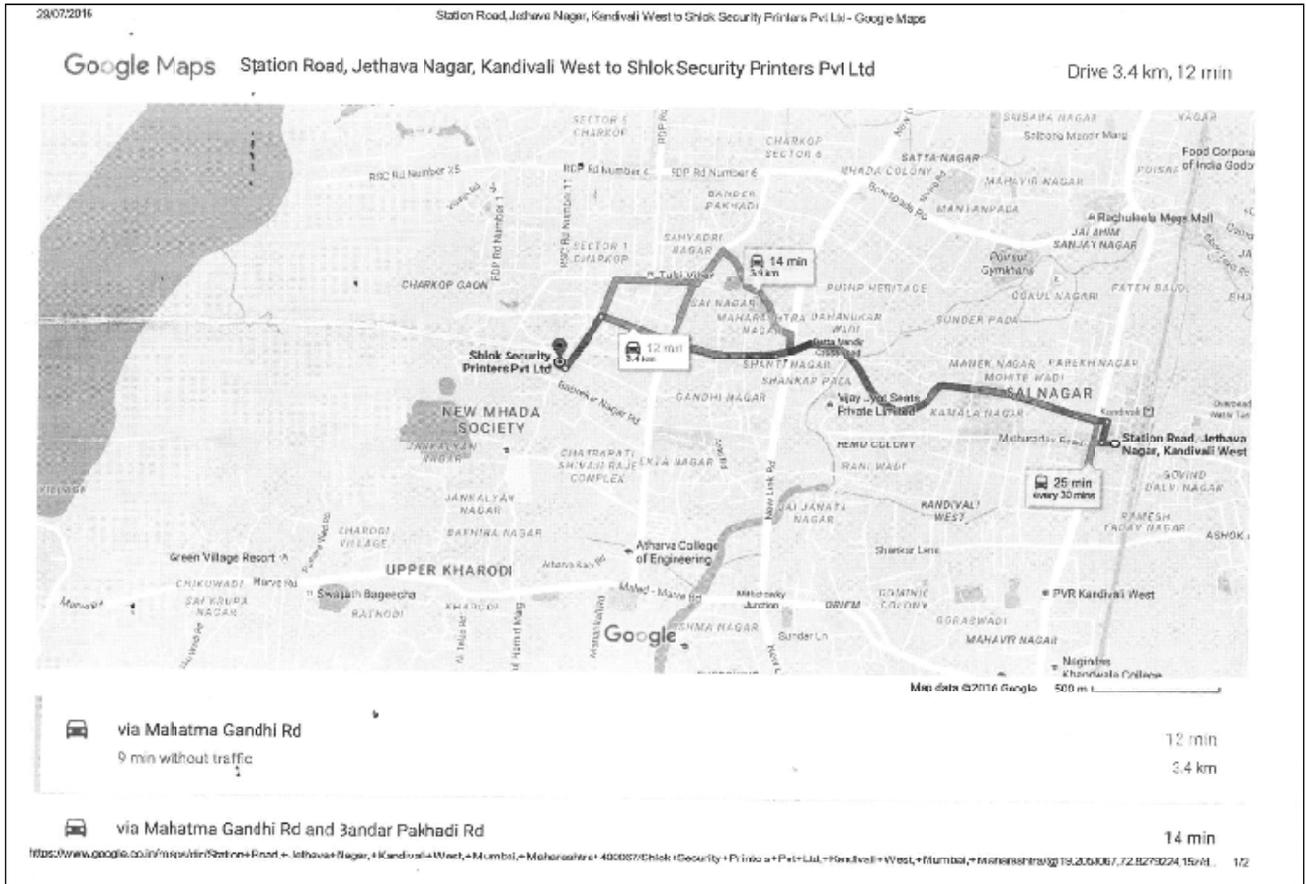
Ind AS 116: Lease

On 30th March 2019, Ministry of Corporate Affairs (MCA) has notified Ind AS 116 'Leases', effective from 1st April 2019. Ind AS 116 will supersede Ind AS 17 'Leases'. The Company will adopt Ind AS 116 w.e.f 1st April 2019. The effects on adoption of Ind AS 116 on the operation of the Company are being assessed by the Company.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company is evaluating the impact on its financial statements.

ROUTE MAP



Annual Report 2018-2019

ROYAL CUSHION VINYL PRODUCTS LIMITED

Registered Office: 60 CD, SHLOK, Govt. Industrial Estate, Charkop, Kandivali West, Mumbai - 400 067.
CIN: L24110MH1983PLC031395 Website: www.rcvp.in

PROXY FORM FORM NO. MGT-11

[Pursuant to section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s)	
Registered address	
E-mail ID	
Folio No / Client ID	
DP ID	

I/We being the member(s), holding _____ shares of the Royal Cushion Vinyl Products Limited, hereby appoint:

- 1) Name _____ Address _____
_____ Email ID _____
Signature _____ or failing him/her _____
- 2) Name _____ Address _____
_____ Email ID _____
Signature _____ or failing him/her _____
- 3) Name _____ Address _____
_____ Email ID _____
Signature _____ or failing him/her _____

as my/our proxy to vote for me/us on my/our behalf at the 35th Annual General Meeting of the Company to be held on _____, the _____ September, 2019 at _____ at 60 CD SHLOK, Government Industrial Estate, Charkop, Kandivali West, Mumbai - 400067 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	No of shares	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1.	Adoption of Audited Financial Statements for the year ended 31 st March, 2019.			
2.	Re-appointment of Mr. Jayesh Motasha, who retires by rotation.			
3.	Approval of the Special Resolution under Section 180(1)(a)			
4.	Reappointment of Mr. Mahesh Shah as Managing Director of the Company for the period of 3 years.			
5.	Appointment of Mrs. Harsha Mukesh Shah as an Independent Director of the Company.			
6.	Appointment of Mrs. Avani Jolly Pandit as an Independent Director of the Company.			
7.	Approval to enter into the contract with related party under Section 188 of the Companies Act, 2013.			

Signed _____ day of _____ September, 2019.

(Signature of Proxy Holder)

(Signature of Member)

Notes:

- (a) The form of proxy in order to be effective should be duly completed and deposited at the Registered Office not less than 48 hours before the time for holding the meeting.
- (b) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of himself/herself and a proxy need not be a member of the Company.
- (c) In the case of jointholders, the signature of any one of the holder will be sufficient, but names of all the jointholders should be stated.
- (d) Please complete all the details including details of member(s) before submission.

Annual Report 2018-2019

ROYAL CUSHION VINYL PRODUCTS LIMITED

Registered Office: 60 CD, SHLOK, Govt. Industrial Estate, Charkop, Kandivali west, Mumbai- 400 067.
CIN: L24110MH1983PLC031395

REMINDER

URGENT AND IMPORTANT FOR YOUR IMMEDIATE ATTENTION PLEASE NOTE THAT THIS IS FOR ONLY PHYSICAL SHAREHOLDER(S)

Dear Shareholder(s),

Sub: - PAN Number and Bank Account Number

As per SEBI Circular No. SEBI/ HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018; PAN Number and Bank Account details are to be updated with the Company.

Please note that as per our records, you are holding shares in physical form, you are therefore requested to submit following documents;

- Self attested copy of the PAN Card(s) of sole/ joint holder(s)
- Original cancelled cheque leaf bearing name of the of sole/First holder

OR

Copy of the bank passbook containing Name, Account Number, IFSC Code, MICR Code of the sole/First holder duly attested by the Bank

You are requested to send the above documents along with enclosed response form duly signed by all the shareholders as per specimen signature registered with the Company within 21 days from the date of this letter to the Registrar and Share Transfer Agent on following address for updating the same in our records.

Universal Capital Securities Pvt. Ltd.

Unit : **ROYAL CUSHION VINYL PRODUCTS LIMITED**

21, Shakil Niwas, Opp. Satyasaibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai – 400093.

Contact Nos. (022) 28207203-05 Email: info@unisec.in

Keeping in view of Green Initiative of Ministry of Corporate Affairs Government of India (MCA), your company shall send the Annual Reports and other documents to its shareholders in electronic form at the e-mail address registered with the Company. You are therefore requested to provide your e-mail address to receive all future correspondence of the Company in Electronic Form and become a part of it to save a tree.

IMPORTANT NOTE - CESSATION OF PHYSICAL TRANSFER OF SHARES

As per amendment made by SEBI notification dated 8th June 2018 in the Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015, the transfer of shares shall be processed in the dematerialized form only. It means transfer request in physical mode is discontinued. These regulations shall come into force within 180 days from the date of notification i.e. w.e.f..5th December 2018. In accordance to the said regulations and in your own interest, it is advisable that you should convert your physical shares into dematerialized form at the earliest.

For **ROYAL CUSHION VINYL PRODUCTS LIMITED**

Mahesh Shah
Managing Director
00054351

FORM FOR FURNISHING PAN AND BANK DETAILS

To,
 Universal Capital Securities Pvt. Ltd.
 21, Shakti Niwas,
 Opp. Satya Saibaba Temple,
 Mahakali Caves Road,
 Andheri (E), Mumbai 400093.

Unit: **ROYAL CUSHION VINYL PRODUCTS LIMITED**

Sub : Copy of PAN and Bank Account Details.

Dear Sir/Madam,

I/We refer to your letter regarding SEBI Circular No. SEBI/ HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 on the captioned subject. I/we heraby furnish our PAN and Bank mandate details for update in your records. I/We am/are enclosing herewith:

- 1) Self-attested copy/copies of PAN card of all the holder(s),
- 2) Original cancelled cheque leaf bearing name of the Sole /First holder

OR

- Photo copy of bank pass book / statement having details of Account number, Name of the shareholder, IFSC Code duly attested by Bank.

Folio No.			
Contact No. (Tel No. with STD Code)		Mobile No.	
E-Mail id			

	Name	Signature
First Holder :		
Joint Holder 1 :		
Joint Holder 2 :		

Date:

Place:

NB: The above details will be updated only if the documents / information found in order / valid.

ROYAL CUSHION VINYL PRODUCTS LIMITED

Registered Office: 60 CD, SHLOK, Govt. Industrial Estate, Charkop, Kandivali West, Mumbai - 400 067.
CIN: L24110MH1983PLC031395 Website: www.rcvp.in

Attendance Slip

Name of the attending Member/Proxy (in Block Letters)	Membership Folio No.
	DPID No
	Client ID No
	Number of shares held

I hereby record my presence at the 35th Annual General Meeting of the Company being held on Monday, 30th September, 2019 at 12.30 p.m. at 60 CD, SHLOK, Government Industrial Estate, Charkop, Kandivali West, Mumbai – 400 067.

Members/Proxy's Signature

Business Reply Inland Letter Card

Postage will
be paid by
addressee

To,
ROYAL CUSHION VINYL PRODUCTS LIMITED
CIN No: L24110MH1983PLC031395
60 CD, SHLOK, Government Industrial Estate,
Charkop, Kandivali West Mumbai – 400 067
Tel: 022 28603514/16

No postage
stamp
necessary if
posted in
India

Second fold

SENDER'S NAME AND ADDRESS

Pin code: _____



If undelivered return to:
Royal Cushion Vinyl Products Limited
(CIN No. -L24110MH1983PLC031395
Registered Office: 60 CD, "Shlok" Govt. Ind. Estate, Charkop,
Kandivali (West), Mumbai - 400 067 • www.rcvp.in