

INDEPENDENT AUDITORS' REPORT

To
The Members of
Sintex-BAPL Limited
(CIN: U25199GJ2007PLC051364)

Opinion

We have audited the accompanying Consolidated Financial Statements of Sintex-BAPL Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group" as mentioned in Annexure to this report), which comprise the consolidated balance sheet as at 31st March 2020, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors and based on management certified accounts for entities where an external auditor was not mandated, the aforesaid consolidated 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, of the consolidated state of affairs of the Group as at 31st March 2020, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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



Corporate Office :
Pipara Corporate House,
Near Gruh Finance,
Netaji Marg, Law Garden,
Ahmedabad-380006
Gujarat, India.

Mumbai Office :
#3, 13th Floor, Tradelink,
'E' Wing, A-Block,
Kamala Mills, Senapati
Bapat Marg, Lower Parel,
Mumbai - 400 013, India.

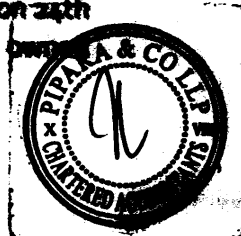
Surat Office :
D-612, International
Trade Centre,
Majura Gate,
Surat - 395 003
Gujarat, India.

Delhi Office :
G-36, One Internet,
Connaught Place,
New Delhi-110001
India.

Contact :
T: 91 79 40 370370
F: 91 79 40 370376
E: pipara@pipara.com
info@pipara.com
www.pipara.com

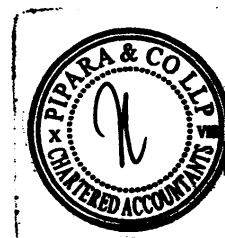
Emphasis of matter

- We draw your attention to the following qualification to the audit opinion on the financial statements of M/s BAPL Rototech Private Limited, a subsidiary of the Holding Company, issued by an independent firm M/s ASP & Co Chartered Accountants, for not appointing an independent director as required by the Companies Act, vide its Report dated 25-06-2020 reproduced by them as under:
"We draw attention to Note No. 42 to the financial statement with respect to non-compliance of provision of the Companies Act. The company is in process of complying with the requirements. The contravention of the said provisions may attract the fines and penalties and imprisonments or both under the relevant provisions of Companies Act. Pending application for compounding for the said contravention, we are unable to comment on the financial impact on account of the non-compliance"
- We draw attention to Note 48 of the Consolidated Financial Statements, As detailed in said notes, Sintex-BAPL Limited had accounted for the 'Sintex' Brand in its books of accounts. During the year the Company has obtained independent valuation report for impairment testing of 'Sintex' (Brand), having indefinite useful life, relating to the recoverable value of the 'Sintex' brand. During the year i.e. in October 2019, the management had disposed its entire equity holding in Sintex NP SAS, a wholly-owned step down subsidiary, whose estimated future revenues were originally included for determination of the recoverable value of the brand. An independent assessment through an authorized valuer reflected the current value of the said brand at Rs. 700 crores; resultantly Sintex-BAPL Limited has recognized an impairment loss of Rs. 800 Crores to reflect the carrying value of the brand. We have relied upon the report of the independent valuer, being a subject matter expert.
- We draw attention to Note 46 of the Consolidated Financial Statements which states that, as detailed in the note, regarding non-compliance of Foreign Exchange Management Act, 1999 in the case of Sintex-BAPL Limited. The company is presently in the process of regularizing the same. This report does not include provisions in respect of liabilities/penalties/levies, if any, that may arise in this regard, as management is of the view that there would not be any significant penalty for the same.
- The Holding Company has incurred losses during the year for the period ended 31.03.2020; and as at year end has a net current liability position, wherein the company has defaulted in repayment of dues to lenders in respect of its borrowings, as a result of which the account with these lenders have been classified as a NPA during the year. Resultantly, all outstanding amounts towards the banks have been classified as current by the Company in the Statement. We also draw attention to Note no. 49 to the accompanying financial statements, wherein the company defaulted on interest payments towards Debentures as intimated to the exchanges during the year
- We draw attention to Note 47 of the Consolidated Financial Statements which states that, during the period under review, the Holding Company through Sintex Holdings B.V. has completed the transaction towards sale of the entire equity holding of, Sintex NP SAS, on 24th October, 2019 and a consideration of Euro 155 Million has been received by its wholly owned



subsidiary, Sintex Holdings BV. Out of the said proceeds Euro 55 million are lying with the bank accounts held under the name of the said subsidiary as on 31.03.2020, as per management representation.

- We draw attention to Note 57 of the Consolidated Financial Statements which states that, as per the management, they are in the process of resolving the liquidity & cash flow issues by identifying & disinvesting assets strategically and hence has a positive outlook towards the future cash flows & turnaround. Accordingly, the accompanying reports have been prepared on a going concern basis by the Group.
- We draw attention to Note 51 of the Consolidated Financial Statements which states that, the Group has reversed the deferred tax liability to reflect the net deferred tax assets position, being available for offset between four to twelve years. Despite ongoing financial difficulties experienced by the Group, the management is of the view that with the turnaround of business the said credit shall be available to Group. Similarly MAT credit is recognized as deferred tax asset by the Group which is available for offset between four to twelve years. Despite ongoing financial difficulties experienced by the Group, the management is of the view that with the turnaround of business, the said credit shall be available to the Group.
- We draw attention to Note 50 of the Consolidated Financial Statements, The management has considered internal and external information upto the date of results declared for the period ended 31st March, 2020 in respect of the current and estimated future impact, including Indian economic indicators, consequent to the global health Pandemic of Covid-19. The actual impact of the pandemic may be different from that considered in view of the highly uncertain economic environment and the evolving scenario.
- We draw attention to Note 52 of the Consolidated Financial Statements which states that, the Holding Company has not transferred any amount to 'Debenture Redemption Reserve' on account of net loss position during the year.
- We draw attention to Note 54 of the Consolidated Financial Statements which states that, the Group had obtained an additional working capital loan of Rs. 130 crores from a lender, of which Rs. 98 crores out of this was placed as inter corporate deposit (ICDs) with Sintex Industries Limited (SIL) on which interest has been accrued and is pending recovery.
- We draw attention to Note 55 of the Consolidated Financial Statements which states that, the Group has neither provided not spent any amount towards Corporate Social Responsibility on account of liquidity & cash flow problems.
- We draw attention to Note 56 of the Consolidated Financial Statements which states that, the Group has recorded borrowing of Rs. 219.94 Crores (amount as at 30th September, 2019) towards discounting facility sanctioned by Axis Bank Limited vide sanction letter dated 11th September, 2017 by adjusting reserves and surplus, for the value of principal outstanding, since it pertains to earlier years. Interest on the same has been provided in profit and loss account and out of which Rs. 89.07 crores pertains to earlier years. The said amount has been disclosed as Prior Period Expenses on the face of the Statement of Profit & Loss.



- We draw attention to Note 53 of the Consolidated Financial Statements which states that, during the year, the Group had identified inventories which did not meet the quality parameters and were rendered unusable. These stocks were either scrapped off during the year or recognized at cost or NRV, whichever is less.
- We draw attention to Note 58 of the Consolidated Financial Statements which states that Although previously applicable, this is the first year of consolidation and hence comparative figures have not been presented in the accompanying consolidated financial statements. While conducting the exercise of consolidation, notional receivables posted by the Holding Company in the names of Sintex Holdings B.V.(Rs. 3.86 crores, rounded) and its subsidiary Sintex NP SAS (Rs. 3.28 crores, rounded) for tax computations being notional in nature did not reconcile. As per the management, said balances will be subsequently reversed in the next financial year to reconcile said amounts.
- As per the management, since the thresholds of local laws for Sintex Holdings B.V. (Netherlands) & Sintex Logistics LLC (USA) for audit are not achieved, management certified accounts have been considered.

Our Opinion is not modified in respect of these matters.

Key Audit Matters

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 year. These matters were addressed in the context of our audit of the stand-alone financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr No.	Key Audit Matter	How the matter was addressed in our audit
1	<p><u>Impairment testing of goodwill and Brand.</u> See Note 6 to the Consolidated Financial Statements.</p> <p>The Group has recognized goodwill of Rs. 20.18 Cr and Brand of Rs. 700 crores.</p> <p>The annual impairment testing of goodwill and brand is considered to be a key audit matter due to the complexity of the accounting requirements and the significant judgment required in determining the assumptions to be used to estimate the recoverable amount.</p>	<p>In the view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <p>A. assessing the appropriateness of the accounting policies in respect of impairment of goodwill and Brand.</p> <p>B. evaluating the appropriateness of the assumptions applied to key inputs such as sales volumes and prices, operating costs, inflation and long-term growth rates Performing sensitivity analysis, which included assessing the effect of reasonably possible reduction in growth rates and forecast cash flows and Devaluating the adequacy of the standalone financial statements disclosures, including disclosures of the key assumptions, judgment and sensitivities. Involving independent valuation specialist to assist in evaluating the appropriateness of the</p>



		assumptions of valuation, which included comparing the weighted-average cost of capital with sector averages for the relevant markets, royalty rate, discount rate, terminal year growth rate.
2	<p><u>Recognition & measurement of the deferred taxes.</u> See Note 33D to the Consolidated Financial Statements.</p> <p>The Group has recognized MAT credit of Rs. 90.67Cr.</p> <p>The recognition of the MAT Credit Entitlement involves significant judgment as to the extent there is convincing evidence that the company will generate future taxable profits sufficient to utilize deductible temporary differences, tax credits and tax losses (before they expire)</p> <p>We have determined this as a key audit matter, due to uncertainty in forecasting the amount and timing of future taxable profits and the reversal of temporary differences.</p>	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> A. assessing the appropriateness of the accounting policies in respect of recognition and measurement of deferred taxes. B. assessing the reasonableness of future taxable profits C. challenging the key underlying assumptions used in forecasting future taxable profits and timing of reversal of temporary differences while also considering expiration of tax credits D. evaluating the appropriateness of disclosures in Note 22 of the standalone financial statements.
3	<p><u>Testing of debt covenants</u> The Group has significant amount of outstanding of borrowing of Rs. Rs 2429.77 Cr. Since the overall borrowing is significant with financial covenants as key audit matter.</p>	<p>In the view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> A. evaluating and testing the design and implementation of controls in respect of compliance with debt covenants. B. Sending independent balance confirmations to the lenders and bankers for balances as at 31.3.2020, which remained un-responded by them and hence reliance was placed upon the bank account statements furnished by the company.
4	<p><u>Classification of Borrowings as Short Term</u> The predecessor auditor of Holding Company had issued a qualified opinion on account of classification of borrowings as Long Term from lenders who did not confirm continuance of applicability of original repayment schedule</p>	<p>As at 31.3.2020, the company has classified all borrowings from banks as current, since the account turned into a Non-Performing Asset in Banking.</p>



Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We have nothing to report in this regard.

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

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company. and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.



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

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

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

- Identify and assess the risks of material misstatement of the consolidated 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 expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 consolidated 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 Group (Company and subsidiaries) to cease to continue as a going concern.**
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.**
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the**



direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) Planning the scope of our audit work and in evaluating the results of our work; and
- (ii) To evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matters

(a) We did not audit the financial statements of subsidiary company, whose financial statements reflect total assets of Rs. 56.86 crores as at 31st March 2020, total revenues of Rs. 39.71 crores and net cash outflows amounting to Rs. 0.58 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(b) We did not audit the financial statements of 1(One) subsidiary company (including 1(One) stepdown subsidiaries) located outside India whose financial statement reflect total assets of 25.44 Crores as at 31st March 2020, total revenues of Rs. 43.46 crores and net cash inflows amounting to Rs. 258.36 crores for the year ended on that date which have been prepared in accordance with accounting principles generally accepted in their respective countries and which have not been audited as per the applicable law in that country. These unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated annual financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial statements.

The Subsidiary Company's management has converted the financial statements of such subsidiary located outside India from Other GAAP to accounting principles generally accepted in India for the year from 1st April 2019 to 31st March 2020. Subsidiary company's management has reviewed these conversion adjustments. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the Management Certification.



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

Report on Other Legal and Regulatory Requirements

- A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
- (a) Except for the effects of the matter described in the Basis for Qualified Opinion, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) Except for the effects of the matter described in the Basis for Qualified Opinion, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) Except for the effects of the matter described in the Basis for Qualified Opinion, the consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) Except for the effects of the matter described in the Basis for Qualified Opinion, in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2020 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies, none of the directors of the Group companies incorporated in India is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the 'Other Matters' paragraph:

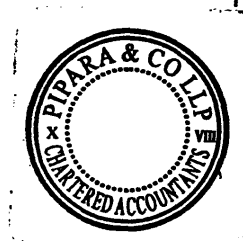


- (i) The consolidated financial statements disclose the impact of pending litigations as at 31st March 2020 on the consolidated financial position of the Group. Refer Note 38 to the consolidated financial statements.
- (ii) Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31st March 2020.
- (iv) The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31st March 2020.

C. With respect to the matter to be included in the Auditor's report under section 197(16)

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, to its directors is in accordance with the provisions of Section 197 read with Schedule V of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies is not in excess of the limit laid down under Section 197 read with Schedule V of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

Date: 31st August, 2020
Place: Ahmedabad



FOR, PIPARA & CO LLP
CHARTERED ACCOUNTANTS
FRN No. 107929W/W100219

Naman Pipara
PARTNER
M.No. 140234
UDIN: 20140234AAAAHZ9159

ANNEXURE to Independent Auditors Report on Consolidated Financial Statements for the year ended March, 31 2020

List of entities included in the Statement

Subsidiary Entities

1. BAPL Rototech Private Limited
2. Sintex Holdings B.V. (Netherlands)
3. Sintex Logistics LLC (USA)
4. Sintex NP SAS (ceased to be a stepdown subsidiary of Sintex-BAPL Limited through Sintex Holdings B.V. w.e.f. 24th October, 2019)



Annexure A to the Independent Auditors' Report

Referred to in paragraph 1(f) under the heading 'Report on other Legal and Regulatory Requirements' of the Independent Auditors' Report of even date to the members of SINTEX-BAPL LIMITED on the Consolidated Financial Statements for the year ended March 31, 2020

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

We have audited the internal financial controls over financial reporting of SINTEX-BAPL LIMITED (hereinafter referred to as "the Holding Company"), as of March 31, 2020 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

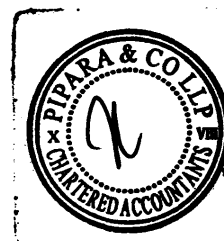
Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

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

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements of the Holding Company, in so far as it relates to a subsidiary company, which is company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary and in cases where the components are unaudited and based overseas, no such tests have been conducted and management representations have been relied upon.

Date: 31st August, 2020
Place: Ahmedabad



FOR, PIPARA & CO LLP
CHARTERED ACCOUNTANTS
FRN No. 107929W/W100219

Naman Pipara
PARTNER
M.No. 140234

UDIN: 20140234AAAAHZ9159

Sintex-BAPL Limited

Consolidated Balance Sheet

as at 31 March 2020

(Currency: Indian Rupees in Crores)

Particulars	Note	31 March 2020
Assets		
Non-current assets		
(a) Property, plant and equipment	4	1,795.69
(b) Capital work-in-progress	5	6.14
(c) ROU Assets	4	19.83
(d) Goodwill	6	20.18
(e) Other intangible assets	7	710.44
(f) Financial assets		
(i) Loans	8	172.70
(ii) Other financial assets	9	0.81
(g) Deferred tax assets (net)	33D	91.20
(h) Other non-current assets	11	4.35
		2,821.34
Current assets		
(a) Inventories	12	160.00
(b) Financial assets		
(i) Trade receivables	13	193.41
(ii) Cash and cash equivalents	14	576.44
(iii) Bank balances other than (ii) above	15	0.43
(iv) Other financial assets	9	7.14
(c) Current tax assets (net)	10	49.40
(d) Other current assets	11	39.61
		1,026.43
Total assets		3,847.77
Equity and liabilities		
Equity		
(a) Equity share capital	16	16.03
(b) Other equity	17	457.32
Equity attributable to owners of the Company		473.35
Non-controlling interests	44	4.11
		477.46

Contd....



Sintex-BAPL Limited

Consolidated Balance Sheet (Continued...)

as at 31 March 2020

(Currency: Indian Rupees in Crores)

Liabilities		
Non-current Liabilities		
(a) Financial liabilities		
(i) Borrowings	18	52.44
(ii) Other financial liabilities	19	7.03
(b) Provisions	20	23.76
		83.23
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	18	2,053.80
(ii) Trade payables	21	
(a) total outstanding dues of micro and small enterprises; and		16.31
(b) total outstanding dues of creditors other than micro and small enterprises		204.03
(iii) Other financial liabilities	19	933.89
(b) Provisions	20	2.90
(c) Other current liabilities	22	76.15
		3,287.08
		3,370.31
Total equity and liabilities		3,847.77

Basis of preparation, measurement and significant accounting policies

1-3

The notes referred above are an integral part of these consolidated financial statements.

4-58

As per our report of even date attached

For Pipara & Co LLP

Chartered Accountants

FRN No: 107929W/W100219

For and on behalf of the Board of Directors

Sintex-BAPL Limited

CIN U25199GJ2007PLC051364

Naman Pipara

Partner

M No: 140234

UDIN : 20140234AAAAHZ9159



Amit D. Patel

Director

DIN:00171035

Rahul A. Patel

Director

DIN: 00171198

Yash Sheth

Company Secretary

Place : Ahmedabad

Date : 31-03-2020

Bijaya Behera

Managing Director

DIN: 08553621

Pradeep Shah

Chief Financial Officer

Sintex-BAPL Limited

Consolidated Statement of Profit and Loss

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

	Particulars	Note	Year ended 31 March 2020
	Continuing Operations		
I	Income		
II	Revenue from operations	23	892.70
III	Other income	24	36.67
IV	Total Income		929.37
	Expenses		
a	Cost of materials consumed	25	495.53
b	Purchases of stock-in-trade	26	8.68
c	Changes in inventories of finished goods, work-in- progress and trading goods	27	126.48
d	Employee benefits expense	28	144.04
e	Finance costs	29	313.52
f	Depreciation and amortisation expense	30	98.84
g	Other expenses	31	371.75
	Total expenses		1,558.83
V	Profit / (Loss) before exceptional items and tax		(629.46)
	Prior Period items		89.07
VI	Exceptional items	32	12.60
VII	Profit / (Loss) before tax		(731.13)
VIII	Tax expense:	33A	
a	Current tax		0.29
	Short Provision for tax of earlier years		0.01
b	Deferred tax (credit)		(111.54)
	MAT Credit reversed / (recognised)		
	Mat Credit		
	Mat Credit of earlier years		
	MAT Credit reversed / (recognised)		(0.15)
	Total tax expense		(111.39)
IX	Profit / (Loss) after tax from continuing operations		(619.74)
	Discontinued Operations		
X	Profit / (Loss) from discontinued operations		61.36
XI	Tax expense of discontinued operations		10.78
XII	Profit / (Loss) after tax from discontinued operations	34	50.58
XIII	Profit / (Loss) for the Year		(569.16)
XIV	Other comprehensive income	35	
	Continuing Operations		
A(i)	Items that will not be reclassified subsequently to profit or loss		(0.72)
	Re-measurements of defined benefit (asset) / liability		(0.72)
	Equity Instruments through Other Comprehensive Income		-
(ii)	Income tax relating to items that will not be reclassified to profit or loss		0.27
	Re-measurements of defined benefit (asset) / liability		0.27
	Equity Instruments through Other Comprehensive Income		-
B(i)	Items that will be reclassified subsequently to profit or loss		57.10
	Exchange differences in translating the financial statements of foreign operations		57.10
(ii)	Income tax relating to items that will be reclassified to profit or loss		-



Contd....

Sintex-BAPL Limited

Consolidated Statement of Profit and Loss (Continued...)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

	Discontinued Operations		-
	Other comprehensive income/ (Loss) for the Year, net of tax		56.65
XV	Total comprehensive income/ (Loss) for the Year		(512.51)
	Continued Operations		(563.09)
	Discontinued Operations		50.58
	Continuing & Discontinuing Operations		(512.51)
XVI	Profit for the year attributable to:		
	- Owners of the company		(569.31)
	- Non controlling interests		0.15
			(569.16)
XVII	Other comprehensive income for the year attributable to:		
	- Owners of the company		56.61
	- Non controlling interests		0.04
			56.65
XVIII	Total comprehensive income for the year attributable to :		
	- Owners of the company		(512.70)
	- Non controlling interests		0.19
			(512.51)
XIX	Earnings per equity share (from continuing operation) [Nominal value of share Rs.1 (31 March 2019 : Rs. 1) each]	37	
	Basic (in Rs.)		(386.56)
	Diluted (in Rs.)		(386.56)
XX	Earnings per equity share (from discontinued operation)	37	
	Basic (in Rs.)		31.55
	Diluted (in Rs.)		31.55
XXI	Earnings per equity share (from discontinued & continuing operation)	37	
	Basic (in Rs.)		(355.01)
	Diluted (in Rs.)		(355.01)

Basis of preparation, measurement and significant accounting policies

1-3

The notes referred above are an integral part of these consolidated financial statements.

4-58

As per our report of even date attached

For Pipara & Co LLP

Chartered Accountants

FRN No: 107929W/W100219

Naman Pipara

Naman Pipara
Partner

M No: 140234

UDIN : 20140234AAAAHZ9159



Amit D. Patel
Amit D. Patel
Director
DIN:00171035

For and on behalf of the Board of Directors

Sintex-BAPL Limited

CIN U25199GJ2007PLC051364

Rahul A. Patel
Rahul A. Patel
Director
DIN: 00171198

Yash Sheth
Yash Sheth
Company Secretary

Place : Ahmedabad

Date : 31-08-2020

Bijaya Behara
Bijaya Behara
Managing Director
DIN: 08553621

Pradeep Shah
Pradeep Shah
Chief Financial Officer

Sintex-BAPL Limited

Consolidated Statement of Changes in Equity

for the Year ended 31 March 2020

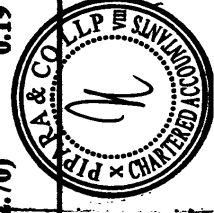
(Currency: Indian Rupees in Crores)

A. Equity share capital

Particulars	Note	Number of shares	Amount
Issued subscribed and paid up (Equity shares of Rs. 1 each)			
Balance as at 01 April 2019		16,03,20,000	16.03
Changes in equity share capital during the year	16	-	-
Balance as at 31 March 2020		16,03,20,000	16.03

B Other equity

Particulars	Attributable to owners of the Company					Total attributable to owners of the Company	Attributable to Non-controlling interests	Total
	Reserves and surplus		Items of Other comprehensive income (OCI)					
	Securities premium (3)	Debt redemption reserve (4)	General reserve (5)	Retained earnings (6)	Foreign currency translation reserve (7)			
Balance as at 01 April 2019	132.77	142.62	1,166.61	531.15	(4.54)	1,968.61	3.92	1,972.53
Total comprehensive income for the year	-	-	-	(569.31)	-	(569.31)	0.15	(569.16)
Profit for the year	-	-	-	(0.45)	57.10	56.61	0.04	56.65
Items of other comprehensive income for the year , net of taxes	-	-	-	(569.76)	57.10	(512.70)	0.19	(512.51)
Total comprehensive income for the year ended 31 March 2020	-	-	-	(569.76)	57.10	(512.70)	0.19	(512.51)



Handwritten signatures and initials: "Bh." and "K" with a checkmark.

Sintex-BAPL Limited

Consolidated Statement of Changes in Equity

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

Contributions by and distributions to owners:									
Share of non-controlling interest	-	-	-	-	-	-	-	-	-
Elimination of NIEF Reserve on account of Sale	-	-	-	(779.38)	-	(779.38)	-	-	(779.38)
Earlier Liability recognised in Current Year *	-	-	-	(219.96)	-	(219.96)	-	-	(219.96)
Ind AS impact due to adoption of Ind AS 116 & Others	-	-	-	0.70	-	0.70	-	-	0.70
Remeasurement of post employment benefit obligation, net of tax	-	-	-	-	-	0.04	-	-	0.04
Impairment	-	-	(800.00)	800.00	-	-	-	-	-
Other appropriation	-	-	-	-	-	0.00	-	-	0.00
Total contributions by and distributions to owners	-	-	(800.00)	(198.64)	-	(998.59)	-	-	(998.59)
Total transactions with owners	-	-	(800.00)	(198.64)	-	(998.59)	-	-	(998.59)
Balance as at 31 March 2020	132.77	142.62	366.61	(237.24)	52.57	457.32	4.11	461.43	

1 Securities premium

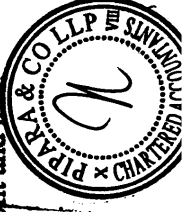
Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

2 Debenture redemption reserve ('DRR')

The reserve is created for redemption of non-convertible debentures in accordance with the sub-section (4) of section 71 of the Companies Act, 2013 out of profits of the Group available for dividend distribution. The same will be redeemed in line with repayment terms agreed with lenders. Accordingly, DRR would be utilised for the redemption of debentures.

3 General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriate purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.



Handwritten signatures and initials: 'Bh', 'K', 'Bh'.

Sintex-BAPL Limited

Consolidated Statement of Changes in Equity

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

4 Retained earnings

The amount that can be distributed by the Group as dividends to its equity shareholders out of accumulated reserves is determined considering the requirements of the Companies Act, 2013. Thus, the closing balance amounts reported above are not distributable in entirety.

5 Foreign currency translation reserve

The assets and liabilities of foreign operations are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the average exchange rates prevailing during the year. Resulting foreign currency differences are recognised in other comprehensive income/ (loss) and presented within equity as part of Foreign Currency Translation Reserve ('FCTR'). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is reclassified to Profit or Loss as a part of gain or loss on disposal.

6 The holding company has recorded borrowing of Rs 219.95 Crores, being the principal amount outstanding, towards discounting facility granted by Axis Bank Ltd. as discussed in Board Meeting dated 14th November, 2019. Since the same pertains to previous financial years, the said liability has been recorded by adjusting Reserve & Surplus.

7 Impairment of brand of Rs 800 Cr has been debited in P&L A/c as the brand of Rs 1500 Cr created in earlier years was credited to general reserve only.

The notes referred above are an integral part of these consolidated financial statements.

As per our report of even date attached

For Pipara & Co LLP

Chartered Accountants

FRN No: 107929W/W100219

Naman Pipara
Partner

M No: 140234

UDIN : 20140234AAAAHZ9159



Amul D. Patel
Director

DIN: 00171035

Rahul A. Patel
Director

DIN: 00171198

For and on behalf of the Board of Directors
Sintex-BAPL Limited
CIN U25199GJ2007PLC051364

Yash Sheth
Company Secretary

Bijaya Behera
Managing Director
DIN: 08553621

Pradeep Shah
Chief Financial Officer

Place : Ahmedabad

Date : 31-08-2020

Sintex-BAPL Limited

Consolidated Statement of cash flows

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

Particulars	31 March 2020
Cash flows from operating activities	
Profit/(Loss) before tax	(731.13)
Adjustments for:	
Depreciation and amortisation expense	98.84
Provision for doubtful debts & Bad Debt	75.07
Interest income	(9.74)
Gain on Sale of Subsidiary	(787.40)
Loss/(Gain) on sale of item of property, plant and equipment (net)	0.60
Impairment	800.00
Finance costs	313.52
Operating Profit/(Loss) before working capital changes	(240.24)
Working capital adjustments :	
(Increase) / decrease in financial and non-financial assets	0.21
(Increase) / decrease in loans given	(34.45)
(Increase) / decrease in inventories	137.01
(Increase) / decrease in trade receivables	136.13
Increase / (decrease) in trade payables	(4.12)
Increase/(decrease) in provisions, financial and non-financial liabilities	(238.37)
Cash generated from operating activities	(243.82)
Income tax paid (net)	(1.44)
Net cash (used in) / generated from operating activities (A)	(245.26)
Cash flows from investing activities	
Interest received	1.43
Proceeds from sale of current investments	0.19
Payments for purchase of property, plant and equipment and other intangible assets	(22.41)
Proceeds from sale of property, plant and equipment and other intangible assets	2.40
Proceeds from disposal of subsidiary company	1,215.25
Net cash (used in) / generated from investing activities (B)	1,196.85
Cash flows from financing activities	
Interest paid	(171.94)
Proceeds / (repayment) of current borrowings (net)	85.85
Proceeds from non-current borrowings	100.00
Repayment of non-current borrowings	(736.49)
Net cash generated from / (used in) financing activities (C)	(722.58)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	229.02
Cash and cash equivalents at 1 April	327.32
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	20.53
Cash and cash equivalents at 31 March	576.87

Bh. 48 / 2/ B



1. The above Consolidated Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flows".

2. Cash and cash equivalents comprises of

Balances with banks:

- Current accounts	576.32
- Deposits with original maturity of less than three	-
Cash on hand	0.12
Other bank balances	0.43
Cash and cash equivalents in Cash flow statement	576.87

3. Reconciliation of movements of cash flows arising from financing activities

Particulars	Non-current borrowings	Current borrowings	Total
Balance as at 1 April 2019	2,777.95	377.86	3,155.81
Cash Flow from financing activities			-
Proceeds from non-current borrowing	100.00	-	100.00
Repayment of non-current borrowings	(736.49)	-	(736.49)
Net increase/(decrease) in current borrowings	-	85.85	85.85
Other Borrowing Cost Paid	(21.26)	-	(21.26)
Finance costs paid	(150.68)	-	(150.68)
Foreign exchange movement	40.42	-	40.42
Total cash flow from financing activities	(768.01)	85.85	(682.16)
Derecognition on account of loss of control on disposal/dissolution/liquidation of subsidiaries	(215.82)	0.00	(215.82)
Other Borrowing Cost	21.26	-	21.26
Interest expense	150.68	-	150.68
Balance as at 31 March 2020	1,966.06	463.71	2,429.77

* includes other borrowing costs paid for non fund based credit limits.

As per our report of even date attached.

For Pipara & Co LLP

Chartered Accountants

FRN No: 107929W/W100219

Naman Pipara

Naman Pipara
Partner

M.No. 140234

UDIN : 20140234AAAAHZ9159

Place : Ahmedabad

Date : 31-08-2020



For and on behalf of the Board of Directors

Sintex-BAPL Limited

CIN U25199GJ2007PLC051364

Amit D Patel
Amit D Patel
Director

DIN: 00171035

Rahul A Patel
Rahul A Patel
Director

DIN: 00171198

Yash Sheth
Yash Sheth
Company Secretary

Bijaya Behara
Bijaya Behara
Managing Director

DIN: 08553621

Pradeep Shah
Pradeep Shah
Chief Financial Officer

Sintex-BAPL Limited

Notes to the consolidated financial statements for the year ended 31 March 2020

1 General Information

Sintex-BAPL Limited ("the Holding Company") is engaged in the business of manufacturing of custom moulding and prefab products in India and Europe and trading activities in USA. The registered office of the Company, near seven garna, Kalol (North Gujarat) and the headquarters of the Company is situated in Kalol (Gujarat).

The consolidated financial statements comprise financial statements of the Company and its subsidiaries (collectively, the Group) for the year ended 31 March 2020. The consolidated financial statements were authorized for issue in accordance with a resolution of the directors on 24 July 2020.

2 Basis of preparation

a. Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Details of the Group's accounting policies are included in Note 3.

b. Functional and presentation currency

The functional currency of the Holding Company and its Indian Subsidiaries is Indian Rupees (Rs.), whereas the functional currency of foreign subsidiaries is Euro or USD as per the law of respective countries. The presentation currency of the group is Indian Rupees (Rs.). All amounts have been rounded to the nearest crores, unless otherwise indicated.

c. Basis of measurement

The Consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Investment in mutual fund	Fair Value Through Profit or Loss ("FVTPL")
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

d. Use of estimates and judgments

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.



Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant effect on the amounts recognized in the financial statements are as below:

- Estimates of useful lives and residual value of Property, plant and equipment and other intangible assets
- Fair valuation of investments and determining fair value less cost of sell of the disposal group on the basis of significant unobservable inputs
- Provision and contingencies
- Recognition and measurement of provisions and contingencies
- Current / Deferred tax expense and recognition of MAT Credit and evaluation of recoverability of deferred tax assets
- Measurement of employee defined benefit obligations; key actuarial assumptions

e. *Measurement of fair values*

Some of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a financial reporting team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

The financial reporting team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as pricing services, is used to measure fair values, then the financial reporting team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.



Further information about the assumptions made in measuring fair values is included in the following notes:

Note 8	Investments
Note 38	Employee benefits
Note 44	Financial instruments

3 Significant Accounting policies

I. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiary companies (including special purpose entities) where Control exists when the Holding Company is exposed to, or has rights, to variable returns from its involvement with the entity, and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiary companies are included in these consolidated financial statements from the date that control commences until the date that control ceases.

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary companies, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the Consolidated Statement of Profit and Loss. If the Holding Company retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee depending on the level of influence retained.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of each of the subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on 31 March 2020.

Consolidation procedure:

- i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the holding company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- ii) Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary.
- iii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits & losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full, except as stated in point iv)
- iv) Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS-12 'Income Taxes' applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- v) Non-controlling interests in the net assets of consolidated subsidiaries consists of



- (a) The amount of equity attributed to non-controlling interests at the date on which investment in a subsidiary relationship came into existence;
- (b) The non-controlling interest share of movement in equity since the date holding subsidiary relationship came into existence;
- (c) Non-controlling interest share of net profit/ (loss) of consolidated subsidiaries for the year is identified and adjusted against the profit after tax of the Group.

vi) The following entities are considered in the consolidated financial statements listed below:

Name of the company	Country of incorporation	% of holding as on
		31 March 2020
Sintex BAPL Limited	India	100.00
Sintex Holding BV (Including its following Subsidiaries):	Netherlands	100.00
A. Sintex NP SAS (including its following 100% subsidiaries) (Up to 24 th October, 2019 considered as a Subsidiaries)	France	100.00
a. NP Jura		
b. NP Vosges SAS		
c. NP Hungaria Kft.		
d. NP Germany GMBH		
e. NP Tunisia SARL		
f. Siroco SAS		
g. NP Savoi SAS (including NP Sud SAS, 100% subsidiary)		
h. NP Morocco SARL		
i. AIP SAS		
j. Sicmo SAS		
k. NP Nord SAS		
l. NP Polska		
m. NP Slovakia SRO		
n. Simonin SAS		
o. Capelec SAS		
B. Sintex Logistics LLC (USA)		
BAPL Rototech Private Limited	India	70.00

II. Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in Consolidated Statement of Profit and Loss as incurred.



At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised in other comprehensive income and accumulated in equity as capital reserve or recognised directly in capital reserve depending on whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities with a Group.

Business combinations involving entities or business under common control are accounted using the pooling of interests method. In this method the assets and liabilities of combining entities are reflected at their carrying values, the only adjustment to be made is to harmonise accounting policies. The financial information in the consolidated financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements, irrespective of the actual date of combination. However, if the business combination has been effected after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to reserves.

II. Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.



A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit and loss in the consolidated Statement of comprehensive income/Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

III. Revenue recognition

Revenue from sale of goods is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. The Group assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the transaction price as specified in the contract with the customer. The transaction price excludes amount collected on behalf of third parties such as Goods and Service Tax (GST), Value added tax (VAT) etc. which the Company collects on behalf of the government. In determining the transaction price, the Group considers below, if any:

Variable consideration:

This includes discounts, incentives, volume rebates, etc. It is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

Significant financing component:

Generally, the Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good to the customer and when the customer pays for that good or service will be one year or less.

Consideration payable to a customer:

Such amounts are accounted as reduction of transaction price and therefore, of revenue unless the payment to the customer is in exchange for a distinct good that the customer transfers to the Group.

Further, in accordance with Ind AS 37, the Group recognises a provision for onerous contract when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contract balances:

Contract assets: A contract asset is the right to consideration in exchange for goods or services transferred to the customer e.g. unbilled revenue. If the Company performs its obligations by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset i.e., unbilled revenue is recognized for the earned consideration that is conditional. The contract assets are transferred



receivables when the rights become unconditional. This usually occurs when the Company issues an invoices to the customer.

Trade receivables: A receivable represents the Group's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Group performs under the contract.

Interest income and Dividend income:

Interest income from a financial asset is recognised using effective interest rate (EIR) method. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

Dividend income is recognised in consolidated statement of profit and loss on the date on which the Group's right to receive payment is established.

IV. Leasing

Transition

Effective 1 April 2019, Group has adopted Ind AS 116, 'Leases', applied to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, in the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted.

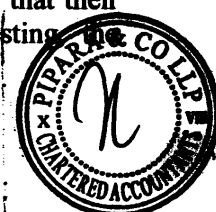
The Group's lease asset primarily consists of leases for buildings. The group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (i) the contract involves the use of an identified asset (ii) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the group has the right to direct the use of the asset.

Company as a lessee

At the date of commencement of the lease, the group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the group recognizes the lease payments as an operating expense.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing



recoverable amount (i.e. The higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and finance cost portion of lease payments have been classified as financing cash flows.

Company as a lessor

At the inception of the lease, the group classifies each of its leases as either an operating lease or a finance lease. The group recognizes lease payments received under operating leases as income over the lease term on a straight-line basis.

V. Foreign currency transaction and translations

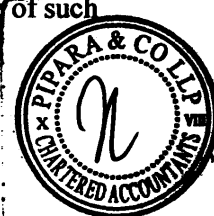
Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the date of the transaction or at an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

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

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to consolidated Statement of Profit and Loss on repayment of the monetary items.

Further, The Group had decided to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the consolidated financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period (i.e. 31 March 2016) as per the previous GAAP i.e. exchange differences relating to long term foreign currency monetary items in so far as they relate to acquisition of depreciable capital assets is adjusted to the cost of such capital asset and depreciated over the balance useful life of such asset.



In case of foreign operations whose functional currency is different from the Holding Company's functional currency, the assets and liabilities of the Group's foreign operations are translated into Currency Units using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as 'foreign currency translation reserve' (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit and loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in consolidated statement of profit and loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit and loss.

VI. Borrowing costs

Borrowing costs are interest and other incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the period in which they are incurred.

VII. Operating cycle

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

VIII. Employee Benefits

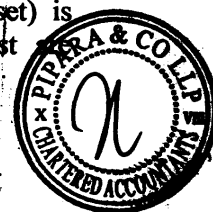
i Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

The current service cost and interest on the net defined benefit liability / (asset) is recognized in the consolidated statement of profit and loss. Past service cost



immediately recognized in the consolidated statement of profit and loss. Actuarial gains and losses net of deferred taxes arising from experience adjustment and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in consolidated statement of profit and loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in consolidated statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurement gains or losses are recognised in consolidated statement of profit and loss in the period in which they arise.

IX. Taxation

Income tax comprises of current and deferred tax. It is recognised in the consolidated statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in OCI.



Income taxes

Provision for current tax is calculated on the basis of the Income tax law enacted or substantively enacted at the end of the reporting period.

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Taxes

Deferred tax is provided, on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in consolidated financial statements, using tax rates & laws that has been enacted or substantially enacted at the end of the reporting period.

Deferred tax asset is recognized for all deductible temporary differences and unused tax losses only if it is probable that the future tax profits will be available to utilise the same.

Deferred tax is not recognised for all taxable temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is probable that the differences will not reverse in the foreseeable future.

Minimum Alternate Tax (MAT) eligible for set-off in subsequent years (as per tax laws), is recognised as an asset by way of credit to the Consolidated Statement of Profit and Loss only if there is convincing evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the Group. At each Balance Sheet date, the carrying amount of deferred tax in relation to MAT Credit Entitlement receivable is reviewed to reassure realization.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset the same and when the balances relate to the same taxation authority.

Current and deferred tax is recognised in the Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case, the tax is also recognised in other comprehensive income or directly in equity.

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

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

X. Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently



recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the consolidated Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the consolidated Statement of Profit and Loss.

Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed. Revenue generated from production during the trial period is capitalised.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

XI. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets like software, brand and technical know-how which are expected to provide future enduring economic benefits are capitalized as Intangible Assets. "Sintex" Brand of Custom Moulding business acquired pursuant to the Scheme of Arrangement with indefinite useful lives is carried at cost less accumulated impairment losses, if any.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

XII. Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is provided on straight-line method



except in case of one subsidiary which provide depreciation on furniture and fixtures, vehicles and office equipment using Written Down Value method (WDV) over the estimated useful lives of the assets as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for plant and machinery. In respect of plant and machinery, the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

Intangible assets are amortised over their estimated useful lives on straight line method. The amortization rates used for various intangible assets are as under:

Class of assets	Years
Technical knowhow	5 to 20 years
Software	5 years

Goodwill and Brand have indefinite useful life and hence are not subjected to amortization but tested for impairment annually.

Freehold land is not depreciated. Leasehold land is amortized over the period of the lease, except where the lease is convertible to freehold land under lease agreements at future dates at no additional cost.

The Group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Depreciation on the tangible fixed assets of the Holding Company and its subsidiaries has been provided as per the estimated useful life of such assets as follows:

Class of assets	Years
Buildings	15 to 60 years
Plant and machinery	03 to 40 years
Furniture and fixtures	3 to 10 years
Vehicles and aircrafts	5 to 10 years
Office equipment	3 to 10 years

XIII. Impairment

i Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events



that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the each entity in the Group on terms that such entity would not consider otherwise;
 - it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
 - the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured as 12 month expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Twelve months expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

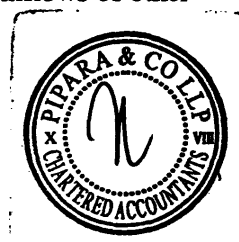
Presentation of allowance for expected credit losses in the balance sheet.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

i. Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.



The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the consolidated statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

XIV. Inventories

Inventories includes raw materials, finished goods, work-in-progress and stores and spares. Inventories are stated at the lower of cost and net realisable value. Costs of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, traded goods and stores and spares are ascertained on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

XV. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated Statement of Profit and Loss net of any reimbursement.



If the effect of the time value of money is material, provisions are discontinued using a current pretax rate that reflects, when appropriate, the risk specific the liability. When discounting is used, the increase in the provision due to passage of time is recognized as finance cost in the consolidated Statement of Profit and Loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities are not recognized in the financial consolidated statements but are disclosed by way of notes to accounts unless the possibility of an outflow of economic resources is considered remote. Contingent assets are not recognized in consolidated financial statements. However, the same is disclosed, where an inflow of economic benefit is probable.

Cash and cash equivalents comprise cash and deposits with banks and corporations and bank overdrafts. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

XVI. Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

The Managing Director/ Chief Executive Officer of the Company allocate resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). Custom Moulding Business is identified as single operating segment for the purpose of making decision on allocation of resources and assessing its performance.

XVII. Financial Instruments

i Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised by each entity in the Group when it becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

ii Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.



A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At present, the Group does not have investments in any debt securities classified as FVOCI.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the each entity's management in the Group;;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.



Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the each entity in the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in consolidated statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest



expense and foreign exchange gains and losses are recognised in consolidated statement of profit and loss. Any gain or loss on derecognition is also recognised in consolidated statement of profit and loss.

iii. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in consolidated statement of profit and loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the consolidated balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

4 Property, plant and equipment

A. Reconciliation of carrying amount

Particulars	Freehold land	Leasehold land	Building	Plant and equipment	Fixtures and fittings	Vehicles	ROU Assets	Total
Balance at 1 April 2019	81.12	5.04	650.85	2,761.74	37.21	20.90	-	3,556.86
Additions	-	7.88	2.03	43.76	1.18	0.25	23.83	78.93
Disposals	-	-	-	(22.35)	-	(1.78)	-	(24.13)
Translation exchange differences	-	-	2.40	0.08	0.01	0.01	-	2.49
Derecognition on account of loss of control on disposal/ dissolution/liquidation of subsidiaries	(16.97)	-	(427.64)	(977.94)	(29.65)	(16.37)	-	(1,468.56)
Balance at 31 March 2020	64.15	12.92	227.64	1,805.28	8.75	3.01	23.83	2,145.59

Particulars	Freehold land	Leasehold land	Building	Plant and equipment	Fixtures and fittings	Vehicles	ROU Assets	Total
Balance at 1 April 2019	-	0.21	282.46	942.97	29.52	14.68	-	1,269.84
Depreciation for the year	-	0.43	7.92	82.24	1.37	0.65	4.00	96.62
Disposals	-	-	-	(19.40)	-	(1.30)	-	(20.70)
Impairment	-	-	-	-	-	-	-	-
Translation exchange differences	-	-	0.09	0.00	0.00	0.00	-	0.09
Derecognition on account of loss of control on	-	-	(261.44)	(715.88)	(25.93)	(12.54)	-	(1,015.78)
Balance at 31 March 2020	-	0.64	29.03	289.93	4.97	1.49	4.00	339.07
Carrying amounts (net)								
At 31 March 2020	64.15	12.28	198.60	1,515.35	3.78	1.52	19.83	1,815.52

B. Security

Refer note 18 for the property, plant and equipment which are subject to charge.

C. Commitments

For capital commitments made by the Group as at the balance sheet date, Refer note 38.

D. Impairment of Fixed Assets

For Impairment made by group on Fixed Assets, Refer note 47.

Notes:

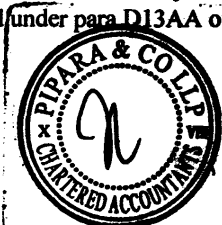
(i) Leased Assets

One of the company has obtained leasehold land for lease term of 95/99 Years.

(ii) Contractual obligations

Refer Note 38 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iii) Borrowing costs are capitalised in case of qualifying assets in accordance with Ind AS 23 'Borrowing Costs'. The Group has capitalised Rs. 29.86 crore as forex loss / (gain) on long term borrowing in accordance with the option obtained under para D13AA of Ind AS 101.



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

5 Capital work-in-progress

Reconciliation of carrying amount

Particulars	Capital Work-in-progress
Balance at 1 April 2019	90.12
Additions	7.06
Adjustment	-
Assets capitalised during the year	(3.75)
Derecognition on account of loss of control on disposal/dissolution/liquidation of subsidiaries	(87.29)
Balance at 31 March 2020	6.14
Carrying amounts (net)	
At 31 March 2020	6.14

6 Goodwill

Reconciliation of carrying amount

Particulars	Goodwill	Goodwill on Consolidation	Goodwill
At Cost *			
Balance at 1 April 2019	91.20	100.27	191.47
Additions	-	-	-
Disposals	-	-	-
Translation exchange differences	0.06	-	0.06
Derecognition on account of loss of control on disposal/dissolution/liquidation of subsidiaries	(71.08)	(100.27)	(171.35)
Balance at 31 March 2020	20.18	-	20.18
Carrying amounts (net)			
At 31 March 2020			20.18



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

7 Other intangible assets

Particulars	Technical knowhow	Computer software	Brand value	Total
At Cost				
Balance at 01 April 2019	10.89	47.60	1,500.00	1,558.49
Additions	-	0.09	-	0.09
Disposals	-	-	-	-
Translation exchange differences	-	0.02	-	0.02
Derecognition on account of loss of control on disposal/dissolution/liquidation of subsidiaries	-	(38.86)	-	(38.86)
Balance at 31 March 2020	10.89	8.85	1,500.00	1,519.74
Accumulated amortisation				
Balance at 01 April 2019	3.16	31.49	-	34.65
Amortisation for the year	0.92	1.31	-	2.22
Impairment (Refer Note no 48)	-	-	800.00	800.00
Disposals	-	-	-	-
Translation exchange differences	-	0.01	-	0.01
Derecognition on account of loss of control on disposal/dissolution/liquidation of subsidiaries	-	(27.58)	-	(27.58)
Balance at 31 March 2020	4.08	5.23	800.00	809.30
Carrying amounts (net)				
At 31 March 2020	6.81	3.63	700.00	710.44



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

8 Loans

(Unsecured, Considerd Good)

Particulars	31 March 2020
Non-current	
Security deposits and earnest money deposits	12.71
Other loans given	159.99
	172.70
Total	172.70

9 Other financial assets

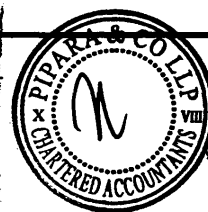
Particulars	31 March 2020
Non-current	
Security deposits and earnest money deposits	0.81
	0.81
Current	
Others	7.14
	7.14
Total	7.95

10 Current tax assets (net)

Particulars	31 March 2020
Current	
Advance tax (net of provisions)	49.40
	49.40
Total	49.40

11 Other assets

Particulars	31 March 2020
Non-current	
Capital Advances	4.35
	4.35
Current	
Advance to suppliers	
Considered good	24.80
Considered doubtful	-
Less:- Provision for doubtful advances	-
Prepaid expenses	3.54
Balances with government authorities	5.61
Export incentives receivables	1.79
Others	3.87
	39.61
Total	43.96



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

12 Inventories

(At lower of cost and net realisable value)

Particulars	31 March 2020
(a) Raw materials	89.51
(b) Work in progress	20.89
(c) Finished goods	37.99
(d) Trading goods	3.40
(e) Stores and spares	8.21
Total	160.00

Borrowings are secured against above Inventories. Refer note 18 for details.

13 Trade receivables

(Unsecured, unless otherwise stated)

Particulars	31 March 2020
Current	
Trade receivables considered good	235.60
Trade receivables considered doubtful	-
	<u>235.60</u>
Less: allowance for doubtful debts including ECL	(42.19)
Total	193.41

Borrowings are secured against above trade receivables. Refer note 18 for details.

Allowance for doubtful debts

Movement in allowance for doubtful debt :

Balance at the beginning of the year	(24.75)
Add : Allowance for the year	
Less : Derecognition on account of loss of control on disposal/dissolution/liquidation of subsidiaries	5.47
Less : Bad debts written back	(22.91)
Balance at the end of the year	(42.19)

14 Cash and cash equivalents

Particulars	31 March 2020
Balance with banks	
In current account	576.32
Cash on hand	0.12
Total	576.44



Sintex-BAPL Limited

Notes to the consolidated financial statements *(continued)*

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

15 Other bank balances

Particulars	31 March 2020
Margin money deposits:	
With original maturity of less than 3 months	-
With original maturity of more than 3 months but less than 12 months*	0.43
Other deposits with original maturity over 3 months but less than 12 months	-
Total	0.43

Note :

* Deposit being marked as lien against bank guarantees.



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

16 Share capital

Particulars	31 March 2020	
	Numbers	Amount
Authorised share capital		
Equity shares of Rs. 10 (31 March 2019: Rs. 10) each	1,61,00,000	16.10
Issued, subscribed and paid up		
Equity shares of Rs. 10 (31 March 2019: Rs. 10) each	1,60,32,000	16.03
	1,60,32,000	16.03

All issued shares are fully paid up.

Reconciliation of share outstanding at the beginning and at the end of the year

Particulars	31 March 2020		31 March 2019	
	Numbers	Amount	Numbers	Amount
At the commencement of the year	1,60,32,000	16.03	1,60,32,000	16.03
At the end of the year	1,60,32,000	16.03	1,60,32,000	16.03

Rights, preferences and restrictions attached to equity shares

The Holding Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Holding Company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity share capital of the Holding Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

Particulars of shareholders holding more than 5% shares

Particulars	31 March 2020	
	Numbers	% of total share in class
Equity share of Rs. 1 (31 March 2019: Rs. 1) each fully paid-up held by		
- Sintex Plastics Technology	1,60,32,000	100.00%



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

17 Other equity

Particulars	31 March 2020
Securities premium	132.77
Debenture redemption reserve	142.62
General reserve	366.61
Retained earnings	(237.24)
Foreign currency translation reserve	52.56
Total	457.32

Securities premium

At the commencement of the year	132.77
Add: addition during the year	-
Less: Premium utilised for share warrants issue expenses	-
At the end of the year	132.77

Debenture redemption reserve

At the commencement of the year	142.62
Add: addition during the year from surplus in statement of profit and loss	-

Less: transferred to general reserve	-
At the end of the year	142.62

General reserve

At the commencement of the year	1,166.61
Add: Restatement/Reclass	-
Add: transferred from debenture redemption reserve	-
Less : Transfer to Retained Earnings (Refer note 48)	(800.00)
At the end of the year	366.61



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

17 Other equity (continued)

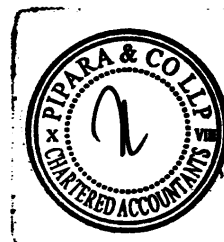
Particulars	31 March 2020
Retained earnings	
At the commencement of the year	531.15
Add:	
Profit for the year	(619.89)
Profit from discontinued operation	50.58
Less:	
Elimination of NIEF Reserve on account of Sale	(779.38)
Earlier Liability recognised in Current Year *	(219.95)
Ind AS impact due to adoption of Ind AS 116 & Others	0.70
Remeasurement of post employment benefit obligation, net of tax	(0.45)
Transfer to debenture redemption reserve	-
Brand Valuation Impairment Transfer to General Reserve **	800.00
At the end of the year	(237.24)

* One of the subsidiary has recorded borrowing of Rs 219.95 Crores, being the principal amount outstanding, towards discounting facility granted by Axis Bank Ltd. as discussed in their respective Board Meeting dated 14th November, 2019.

** Impairment of brand of Rs 800 Cr has been debited in P&L A/c as the brand of Rs 1500 Cr created in earlier years was credited to general reserve only.(Ref Note 48)

Foreign currency translation reserve

At the commencement of the year	(4.54)
Add: Restatement/Reclass	-
Add: Exchange differences in translating the financial statements of foreign operations	57.10
At the end of the year	52.56



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

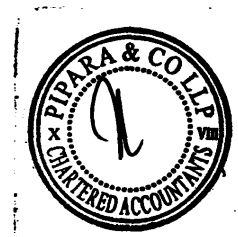
(Currency: Indian Rupees in Crores)

18 Borrowings

Particulars	31 March 2020	
	Non-current#	Current**
Non-current		
Secured		
Debentures (refer note A (i))	-	130.00
Term loan from banks (refer note A (ii))	1.98	108.22
Term loan from financial institutions (refer note A (iii))	-	-
Unsecured		
Term loan from banks (refer note B (i))	-	84.82
Term loan from financial institutions	-	-
Loan from others (refer note B (ii))	0.85	0.49
Preference Share (refer note B (ii))	49.61	-
Total non-current borrowings	52.44	323.53
Current		
Secured		
Debentures (refer note A (i))	-	990.61
Term loan from banks (refer note A (ii))	-	81.19
Term loan from financial institutions (refer note A (iii))	-	245.00
Unsecured		
Term loan from banks (refer note B (i))	-	273.29
Secured		
From Bank - loan repayable on demand (refer note C (i))	-	443.73
Unsecured		
From others (refer note D (i))	-	19.98
Total current borrowings	-	2,053.80
Total	52.44	2,377.33

** Current portion is reported under "Other current financial liabilities".

#The Group has defaulted in repayment of dues to lenders in respect of its borrowings as on 31 March 2020 and as a result the account with these lenders has turned into NPA during the year therefore the company has considered long term borrowing except where default has not been made under the head current borrowing. The detail of default has been reported under schedule 49.



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

Notes:

A Non-current borrowings (secured):

(i) Debenture referred herein above to the extent of :

- (a) 2000, 9.36% p.a Secure Redeemable Non-convertible debentures of Rs. 1,000,000/- each are redeemable at par in three equal installments starting from 27 May 2024. Secured by way of first pari passu charge on the property, plant and equipment's of the Custom Moulding Undertaking ("CM") being transferred to the Company as per Composite Scheme of Arrangement ("CSA") excluding items of property, plant and equipment located at Nagpur and Kolkata.
- (b) Series A 13000, Series B 13000 ,Series C 13000, 9.25% p.a unlisted Secured Redeemable Non-convertible debentures of Rs. 100,000/- each are redeemable on 31 December 2020, 31 December 2021 and 31 December 2022 respectively. Secured by way of first pari passu charge on the immovable and movable property, plant and equipment's of Custom Moulding business ("CM") of the Group in India and first ranking exclusive pledge on 100% shareholding of subsidiary Sintex-BAPL Limited, in favor of Trustee.
- (c) 55,500, ROI 8% p.a, unlisted Secured Redeemable Non-convertible debentures of Rs. 100,000 each are redeemable 5% at the end of 4th year i.e.31 March 2022, 5% at the end of 5th year ,15% at the end of 6th year ,15% at the end of 7th year ,20% at the end of 8th year , 20% at the end of 9th year and 20% at the end of 10th year i.e.31 March 2028 and the overall facility is subject to cap of 19% on XIRR basis. Secured by way of first pari passu charge on the immovable and movable property, plant and equipment's of the Company and first ranking exclusive pledge on 100% shareholding of SBAPL, in favor of Trustee.

(ii) secured term loans from banks referred herein above to the extent of :

- (a) Loan of Rs.8.26 crores is originally repayable in 24 quarterly installment, 2 of Rs.5.36 crores each and 22 of Rs.4.13 crores each starting from 1 April 2013 to 30 December 2019. The loan is secured by first pari passu charge on entire property, plant and equipment's of the Company both present and future. Rate of interest ranges from 9.5% p.a - 9.95% p.a.
- (b) Loan of Rs. 4.68 crores is repayable in 16 quarterly installments of Rs. 0.94 crores each, starting 30 December 2016 to 30 September 2020.
- (c) Loan of Rs. 22.31 crores is repayable in 16 quarterly installments of Rs. 1.59 crores each, starting from 2 May 2019 to 2 February 2023. The loan is secured by first pari passu charge on entire property, plant and equipment's of the Company both present and future. Rate of interest ranges from 8.95% p.a - 9.60% p.a.
- (d) Loan of Rs. 38 crores is repayable in 4 quarterly installments of Rs. 2 Crores Each, starting from 30th September, 2019, next four installments are of Rs. 2.4 crores each and last four installments of Rs.5.6 cores each at the rate of interest of 10.30%. The loan is secured by first pari passu charge over all the current assets of the company present and future.



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

- (e) Term loan of Rs. 14.15 crores from Yes Bank payable in 12 quarterly equal installments of Rs. 2.08 crores commencing from 25 January 2019 at the rate of interest of 10.65%. The loan is secured by first pari passu charge over all the current assets of the company.
 - (f) Loan of Rs. 100 Crores is repayable in 4 quarterly installments of Rs. 8.17 crores each starting from 30th September 2019, and next 8 quarterly installments of Rs. 8.37 crores each, and last installment of Rs. 8.50 crore at the rate of interest of 10.70%. The loan is secured by second pari passu charge over all moveable assets of the company both present and future, though pending security creation.
 - (g) Loan of Rs. 3.98 Crores is repayable in 12 equal quarterly installments of Rs. 50 lacss each after moratorium period of 2 years from the date of first disbursement that is August 8, 2017 and it carries rate of interest of 10.45%. The loan is secured by first charge over entire current and movable fixed asset of the Company.
- (iii) Secured term loans from financial institutions referred herein above to the extent of :
- (a) Loan of Rs. 245 crores, ROI 8% p.a., is repayable 5% at the end of 4th year i.e. 31 March 2022, 5% at the end of 5th year, 15% at the end of 6th year, 15% at the end of 7th year, 20% at the end of 8th year, 20% at the end of 9th year and 20% at the end of 10th year i.e. 31 March 2028 and the overall facility is subject to cap of 19% p.a. on XIRR basis. Secured by way of first pari passu charge on the immovable and movable property, plant and equipment's of the Company, demand promissory note and first ranking exclusive pledge on 100% shareholding of SBAPL, in favor of Trustee

B Non-current borrowings (un-secured):

(i) Un-secured term loans from banks referred herein above to the extent of :

- (a) Term loan of Rs. 188.47 crores from ADCB Bank payable in 2 yearly equal installment commencing from 5 April 2021 at the rate of interest of 6 month Libor + 3%. However as per the recall notice from ADCB bank dated 21.10.2019 the same become due immediately.
- (b) Term loan of Rs. 169.62 crores from HDFC Bank payable in 8 half yearly installment commencing from 21 November 2018 till 20 May 2022 at the rate of interest of 6 month Libor + 3.4%.

(ii) Un-secured term loans from others and Cumulative Redeemable Preference Share referred herein above to the extent of :

- (a) Loan from others of Rs. 0.83 crores of the subsidiary BAPL Roto tech P Ltd. The rate of interest 4% p.a.
- (b) 5,000,000, 5% Cumulative Redeemable Preference share issued are cumulative with a non-discretionary dividend of 9% per annum. As per the resolution passed in the meeting of Board of Directors on 12 January 2013 the redemption of the preference share was extended from March, 2013 to March, 2018. In the meeting of board of directors held on 18 January 2017 the redemption of preference share has been further extended from March, 2018 to March, 2023. In the meeting of board of director held on 16 July 2018 the redemption of preference share has been further extended from March, 2013 to March, 2028



Sintex-BAPL Limited

Notes to the consolidated financial statements *(continued)*

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

C Current borrowings (secured):

(i) Loans from the banks repayable on demand referred herein above to the extent of:

- (a) Working capital loan of Rs 441.22 crores payable on demand at the rate of interest of 9.65% to 12.50%. The loan is secured by First pari passu charge on the current assets of the Company.
- (b) Working Capital Loan of Rs 2.50 Cr payable on demand at the rate of interest of 5%. The loan is secured by first charge over entire Current & Movable Fixed Assets of a subsidiary in India i.e. BAPL Rototech Private Limited.

D Current borrowings (un-secured):

(i) Un-secured current borrowings from others referred herein above to the extent of :

- (a) Loan of Rs. 17.48 crores payable on demand
- (b) Loan from others of Rs. 2.49 crores of the subsidiary BAPL Roto tech P Ltd . The rate of interest 4% p.a.



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

19 Other financial liabilities

Particulars	31 March 2020
Non-Current	
Interest accrued but not due on borrowings	0.01
Obligation under Finance Lease	7.02
	7.03
Current	
Current maturities of long-term borrowings	323.53
Interest accrued but not due on borrowings	119.80
Interest accrued and due on borrowings	137.46
Security deposits taken	9.05
Acceptances and other trade arrangements	268.19
Accrued payables	56.53
Arrears of dividend preference shares	17.60
Other payables (including for capital goods and services)	1.73
	933.89
Total	940.92

20 Provisions

Particulars	31 March 2020
Non-current	
Provision for gratuity (refer note 36)	15.56
Provision for leave encashment	8.20
	23.76
Current	
Provision for gratuity (refer note 36)	1.90
Provision for leave encashment	1.00
	2.90
Total	26.66

21 Trade payables

Particulars	31 March 2020
Payables to micro and small enterprises	16.31
Other trade payables	204.03
Total	220.34



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

Details of Dues to Micro, Small & Medium Enterprises as defined under MSMED Act, 2006

Particulars	31 March 2020
Principal amount remaining unpaid to any supplier as at the year end.	16.31
Interest due thereon	0.45
Amount of interest paid by the Group in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED.	-
Amount of interest accrued and remaining unpaid at the end of the accounting year / period.	0.45
Amount of further interest remaining due and payable even in succeeding years	-

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Group and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the Financial statement as at 31 March 2020 based on the information received and available with the management. On the basis of such information, no interest is payable to any micro, small and medium enterprises. Auditors have relied upon the information provided by the management.

The Group's exposure to currency and liquidity risks related to trade payables is disclosed in Note 42.

22 Other liabilities

Particulars	31 March 2020
Current	
Customer advances	35.92
Other liabilities	33.68
Statutory liability	6.55
Total	76.15



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

23 Revenue from operations

Particulars	2019-20
Sale of products	
Finished goods	919.95
Traded goods	-
Sale of services	0.99
	920.94
Less: Commission on sales	29.38
	891.56
Other operating revenue	
Scrap sales	1.14
	1.14
Total	892.70

24 Other income

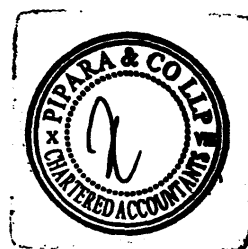
Particulars	2019-20
Interest income	
- on deposits with banks	1.98
- from others	7.76
Other non-operating income	26.93
Total	36.67

25 Cost of material consumed

Particulars	2019-20
Inventory of materials at the beginning of the year	101.56
Add: Purchases during the year	483.48
Less: Inventory of materials at the end of the year	89.51
Total	495.53

26 Purchase of stock-in-trade

Particulars	2019-20
Electrical and plastic items	8.68
Total	8.68



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

27 Changes in inventories of finished goods and trading goods

Particulars	2019-20
<u>Inventories at the end of the year:</u>	
Finished goods	37.99
Work in progress	20.89
Stock in trade	3.40
	62.28
<u>Inventories at the beginning of the year:</u>	
Finished goods	150.49
Work in progress	35.91
Stock in trade	1.71
	188.11
Less : exchange differences (net)	(0.65)
Total	126.48

28 Employee benefits expense

Particulars	2019-20
Salaries, wages and bonus	124.73
Contribution to gratuity, provident fund and other funds (Refer Note:-36)*	9.31
Staff welfare expenses	10.00
Total	144.04

* In Sintex BAPL holding company, Net of Employer's contribution paid by Government of India amounting to Rs 0.03 Cr under Pradhan Mantri Rojgar Yojna.

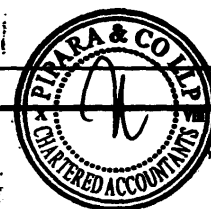
29 Finance costs

Particulars	2019-20
Interest on borrowings	
- to banks	168.19
- to others	20.42
Interest on debentures	103.65
Other borrowing costs	21.26
Total	313.52

* Interest on borrowing to others is towards debt from KKR India financial services Ltd & late payment of vendors/statutory dues.

30 Depreciation and amortisation expense

Particulars	2019-20
Depreciation of property, plant and equipments	96.62
Amortisation of other intangible assets	2.22
Total	98.84



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

31 Other expenses

Particulars	2019-20
Consumption of stores and spare parts	32.52
Job work and subcontracting charges	39.40
Power and fuel	47.97
Rent including lease rentals	5.84
Repairs and maintenance	5.79
Legal and professional expenses	67.61
Temporary staff and security expenses	2.41
Insurance	4.11
Rates and taxes	1.02
Travelling and conveyance Expenses	8.69
Donations and contributions	0.03
Payments to auditors (refer note below)	0.54
Bad Debts	52.63
Provisions for doubtful debts and advances	22.44
Communication expenses	1.86
Advertisement and sales promotion expenses	5.33
Transportation and freight charges	36.98
Loss on sale of property, plant and equipment	0.60
General expenses	35.98
Total	371.75

(i) Payment to auditors

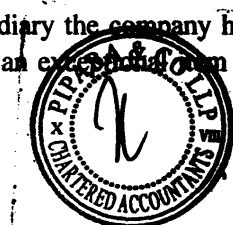
Particulars	2019-20
Payment to auditors (exclusive of goods and service tax / service tax)	
- as auditor	
- Statutory audit	0.51
- Tax audit	0.03
- Reimbursement of expenses	-
Total	0.54

32 Exceptional items*

Particulars	2019-20
Impairment *	800.00
Gain on sale of subsidiary **	(787.40)
Total	12.60

*One of the subsidiary has recorded impairment in intangible asset to the tune of Rs 800 Cr (Refer Note:- 48)

** On A/c of sell of its entire equity holding in one of its wholly owned subsidiary the company has earned gain on sale of Investment for Rs 787.40 Cr which has been recorded as an extraordinary item in profit & loss a/c (Refer Note:- 47)



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

33 Tax expense

A. Income tax (income) / expense recognised in the Consolidated Statement of Profit and Loss

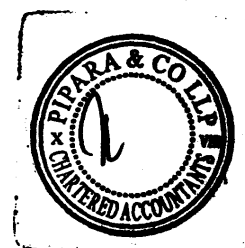
Particulars	2019-20
Current tax expenses	
Current tax on profit for the year	0.29
Adjustments for the current tax of prior periods	0.01
	0.30
Deferred tax expenses	
Attributable to—	
Decrease/(Increase) in deferred tax assets	(111.54)
MAT credit entitlement	(0.15)
	(111.69)
Total	(111.39)

B. Income tax expense / (income) recognised in other comprehensive income

Particulars	2019-20
Current tax	
Current tax on realised gain during the year	-
	-
Deferred tax : (refer note E)	
Deferred tax benefit / (expense) on fair value of equity investments	-
Deferred tax benefit / (expense) on remeasurement of defined benefit liability (asset)	0.27
	0.27
Total	0.27

C. Reconciliation of effective tax rate

Particulars	2019-20
Profit before tax	(731.13)
Tax using the Group's statutory tax rate	(184.02)
Effect of :	
Tax in respect of earlier years	0.01
Non deductible expenses	(5.14)
Others	77.76
Tax expense	(111.39)



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)
for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

33 Income tax (continued) D Deferred tax Asset (Net)

Deferred tax assets and liabilities are attributable to the following:

Particulars	31 March 2020
Deferred Tax Liabilities	
Property, plant and equipment - depreciation difference	274.26
Others	2.07
Total Deferred Tax Liabilities (A)	276.33

Deferred Tax Assets

Disallowances under Income Tax	13.78
Provision for doubtful debts and advances	2.56
Unabsorbed depreciation & Depreciation	260.52
MAT Credit Entitlement	90.67
Other	-

Total Deferred Tax Assets (B)	367.53
Net Deferred tax Assets/(liabilities) (A-B)	91.20

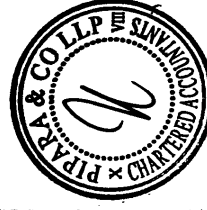
The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The holding company Sintex BAPL Limited has recognize deferred tax assets of Rs. 90.44 Crores (i.e. to the extent of availability of MAT Credit) upto 31st March 2020 against total DTA of Rs. 447.12 Crores based on probability of sufficient taxable income to utilize the deferred tax assets.



(i) Movements in Deferred Tax Liabilities/(Assets)

Particulars	Property, plant and equipment - depreciation difference	Disallowances under Income Tax	Provision for doubtful debts and advances	Unabsorbed depreciation & Losses	MAT Credit Entitlement	Other	Net Deferred Tax Liabilities/ (Assets)
At 31 March 2019	255.48	(15.93)	(7.20)	(109.26)	(90.52)	2.07	34.63
Charged/(credited)							
- to statement of profit and loss	33.40	1.76	4.64	(151.26)	(0.15)	(0.10)	(111.69)
- to other comprehensive income	-	(0.35)	-	-	-	-	(0.35)
- to derecognition on account of loss of control on disposal/ dissolution/liquidation of subsidiaries	(14.61)	0.74	-	-	-	-	(13.80)
At 31 March 2020	274.27	(13.78)	(2.56)	(260.52)	(90.67)	1.97	(91.20)



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

34 Discontinued operations

During the year the Group had entered into agreement to sell its entire equity holding in one of its wholly owned subsidiary, Sintex NP SAS, to a consortium of private equity investors. Pursuant to that agreement, the sale transaction was concluded on 24th October, 2019 and a consideration of Euro 155 Million has been received by its wholly owned subsidiary, Sintex Holding BV.

The break-up of the financial results of Discontinued Operations for both the years are as follows.

Analysis of the profit/(loss) from discontinued operations

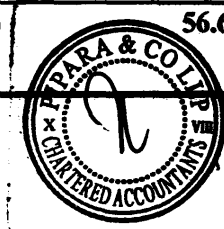
Particulars	2019-20
Income	
Revenue from operations	971.32
Other income	5.88
Total Income	977.20
Expenses	
Cost of materials consumed	355.19
Purchases of stock-in-trade	64.02
Changes in inventories of finished goods, work-in- progress and trading goods	4.48
Employee benefits expense	300.03
Finance costs	1.54
Depreciation and amortisation expense	55.12
Other expenses	135.46
Total Expenses	915.84
Profit before tax	61.36
Tax expense:	
Current tax	9.90
Deferred tax	0.88
Total Tax Expense	10.78
Profit/(Loss) after tax from Discontinued operations	50.58

35 Other comprehensive income

Particulars	2019-20
A(i) Items that will not be reclassified subsequently to profit or loss	
Re-measurements of defined benefit (asset) / liability	(0.72)
Equity Instruments through Other Comprehensive Income	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	
Re-measurements of defined benefit (asset) / liability	0.27
Equity Instruments through Other Comprehensive Income	-
B(i) Items that will be reclassified subsequently to profit or loss	
Exchange differences in translating the financial statements of foreign operations	57.10
(ii) Income tax relating to items that will be reclassified to profit or loss	-

Other comprehensive income/(loss) for the year, Net of tax ((A(i)+(ii)) + (B(i)+(ii)))

56.65



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

36 Disclosures for employee benefits

a) Defined contribution plans:

The Group operates defined contribution retirement benefit plans for all qualifying employees in respect of its Indian subsidiaries. The assets of the plans are held separately from those of the Group in funds under the control of trustees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

The Group makes Provident Fund, ESI Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under these schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Group are at rates specified in the rules of the scheme. The group recognised below contributions in the consolidated statement of profit and loss.

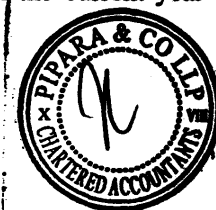
Particulars	31 March 2020
Employers Contribution to Provident Fund	6.33
Employers Contribution to Pension Fund	0.05
Superannuation Fund	0.09
ESIC Fund	0.90
Total	7.37

b) Defined benefit plans:

The Group sponsors funded defined benefit plans for qualifying employees in respect of its Indian subsidiaries. The defined benefit plans are administered by a separate fund that is legally separated from the entity. The board of the fund is composed of an equal number of representatives from both employers and (former) employees. The board of the fund is required by law and by its articles of association to act in the interest of the fund and of all relevant stakeholders in the scheme, i.e. active employees, inactive employees, retirees, employers. The board of the fund is responsible for the investment policy with regard to the assets of the fund.

Under the Gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 60 (58 years for remaining business) subject to ceiling of Rs. 0.20 cores. The vesting period for Gratuity as payable under The Payment of Gratuity Act is 5 years. Under the Compensated absences plan, leave encashment is payable to all eligible employees on separation from the Group due to death, retirement, superannuation or resignation. At the rate of daily salary, as per current accumulation of leave days.

The defined benefit pension plans requires contributions from employees. Contributions are in the following two forms; one is based on the number of years of service and the other one is based on a fixed percentage of salary of the employees. Note 2(viii) describes change in accounting in the current year following the adoption of the amendments to Ind AS 19.



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

The plans in India typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is re-insured by an external insurance company. No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2020. The present value of the defined benefit obligation, and the related current service cost and past service cost, is determined based on actuarial valuation and is measured using the projected unit credit method, which recognizes each period of service as giving rise to additional units of employees benefit entitlement and measures each unit separately to buildup the final obligation.

A. Gratuity

The principal assumptions used for the purposes of actuarial valuation were as follows:

Particulars	31 March 2020
Discount rate	6.55% - 7.65%
Expected rate(s) of salary increase	6% - 7%
Attrition rate	5% - 25% at younger ages reducing to 1% - 5% at older ages
Mortality rate	Indian assured lives mortality (2006-08) ultimate



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

Amount recognised in Statement of profit and loss in respect of these defined benefit plans are as follows:

Particulars	31 March 2020
Current service cost	1.81
Past service cost and (gain)/loss on settlements	-
Net interest expense	0.98
Component of defined benefit costs recognised in Statement of Profit and Loss	2.79
<u>Remeasurement of net defined benefit liability:</u>	
Return on plan assets (excluding amounts included in net interest expense)	0.11
Actuarial (gains)/losses arising from changes in financial assumptions	1.09
Actuarial gains and losses arising from change in demographic assumption	(0.00)
Actuarial (gains)/losses arising from experience adjustments	(0.03)
Components of defined benefit costs recognised in other comprehensive income	1.17
Total	3.97

The current service cost and net interest expense for the year are included in the 'Employee benefit expense' line item in the consolidated statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in balance sheet arising from the entity's obligation in respect of its defined benefit plans are as follows:

Particulars	31 March 2020
Present value of funded defined benefit obligation	18.58
Fair value of plan assets	1.12
Net liability arising from defined benefit obligation	17.46
Non-current	15.60
Current	1.86



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

Movement in the present value of the defined benefit obligation are as follows:

Particulars	31 March 2020
Opening defined benefit obligation	17.63
Transferred pursuant to scheme of arrangement	-
Current service cost	1.81
Interest cost	1.26
Remeasurement (gains)/losses:	
Actuarial gains and losses arising from changes in financial assumptions	1.09
Actuarial gains and losses arising from change in demographic assumption	(0.00)
Actuarial gains and losses arising from experience adjustments	(0.03)
Past Service Cost	-
Benefits paid	(3.18)
Closing defined benefit obligation	18.58

Movement in the fair value of the plan assets are as follows:

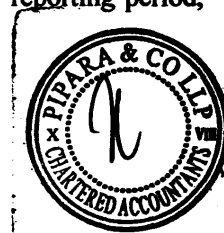
Particulars	31 March 2020
Opening fair value of plan assets	3.74
Transferred pursuant to scheme of arrangement	-
Interest income	0.28
Return on plan assets less loss on investments (excluding amounts included in interest income)	(0.10)
Remeasurement - Actuarial (gains)/losses	-
Contribution from the employer	0.39
Transfer of assets	-
Benefits paid	(3.18)
Closing fair value of plan assets	1.12

Composition of the plan assets

Particulars	31 March 2020
Insurance policy	98% - 100%
Bank balance	0% - 2%
Total	100%

Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

Particulars	31 March 2020	
	Increase	Decrease
Discount rate (0.5% movement)	17.937	19.11
withdrawal rate (0.5% movement)	18.37	17.60
Future salary growth (0.5% movement)	19.069	17.78

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analyzed in terms of risk-and-return profiles. Investment and contribution policies are integrated within this study.

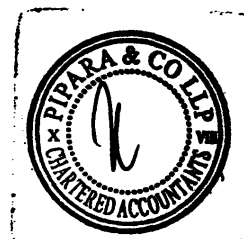
The expected benefit payments is as follows:

Defined benefit obligation	31 March 2020
Less than 1 year	1.82
Between 1-2 years	1.67
Between 2-5 years	5.11
Over 5 years	8.23
Total	16.84

B Other long term employee benefits:

The principal assumptions used for the purposes of actuarial valuation were as follows:

Particulars	31 March 2020
Discount rate	6.55% - 7.65%
salary growth rate	6% - 7%
	5% - 25% at younger ages
	reducing to 1% - 5% at older ages
withdrawal rates	



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

37 Earnings per share

Particulars	2019-20
Face value per equity share (in Rs.)	1
(a) Profit for the year attributable to equity shareholders from:	(569.16)
(i) continuing operations	(619.74)
(ii) discontinued operations	50.58
(iii) continuing and discontinued operations	(569.16)
(b) Number of equity shares at the beginning of the year	1,60,32,000
(c) Equity shares issued during the year	-
(d) Increase in number of shares on conversion of share warrants	-
(e) Number of equity shares at the end of the year	1,60,32,000
(f) Weighted average number of equity shares for calculating basic earnings per share	1,60,32,000
(g) Shares deemed to be issued on conversion of FCCB	-
(h) Weighted average number of equity shares for calculating diluted earnings per share	1,60,32,000
 Earnings per equity share (in Rs) (from continuing operation)	
- Basic earnings per share	-386.56
- Diluted earnings per share	-386.56
Earnings per equity share (in Rs) (from discontinued operation)	
- Basic earnings per share	31.55
- Diluted earnings per share	31.55
Earnings per equity share (in Rs) (from continuing operations & discontinued operations)	
- Basic earnings per share	-355.01
- Diluted earnings per share	-355.01

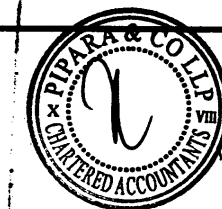
Notes:

- A Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

A. Leases as lessee

Amounts recognised in the Consolidated Statement of Profit and Loss

Particulars	Note	31 March 2020
(ii) Other expenses		
Office rent	31	5.84
		<u>5.84</u>



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

B. Future minimum rental payables under non-cancellable operating lease

Particulars	31 March 2020
0 to 1 year	7.91
1 to 5 year	25.00
more than 5 year	6.40

38 Contingent liabilities and commitments (to the extent not provided for)

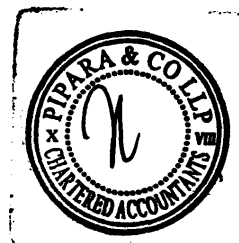
Particulars	31 March 2020
Contingent liabilities and commitments	
a. Claims against the Group not acknowledged as debts	
(i) Indirect tax matters (refer note (i) below)	1.84
(ii) Direct tax matters (refer note (i) below)	0.33
b. Legal Cases	
In respect of Matters Going against the company towards Legal Cases	8.65
c. Guarantees excluding financial guarantees :	
Outstanding bank guarantees	35.89
d. Commitments	
Estimated amount of contracts remaining to be executed on capital account and not provided for	7.74

Notes

- i) Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments/decisions pending with various forums/authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its consolidated financial statements.

Contingent liabilities

Particulars	31 March 2020
A Sales tax/GST	
For non receipt of C forms and H form in respect of assessment years 2010-11, 2012-13, 2013 -14 and 2014-15	-
In respect of matters decided against the Group, for which the Group is in appeal with higher authorities/others.	1.43
B Work Contract Act	
In respect of matters decided against the Company, for which the Company is in appeal with higher authorities.	0.21



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

C Excise duty:*

In respect of matters decided against the Group, for which the Group is in appeal with higher authorities. 0.19

Claims against Group not acknowledged as debts

In respect of matters where the Group has received favourable orders from the First Appellate authorities but the Central Excise and Customs Department is pursuing further with higher Appellate authorities -

D Direct taxes :

In respect of matters decided against the Group, for which the Group is in appeal with higher authorities. 0.33

E Guarantees excluding financial guarantees

Outstanding bank guarantees 35.89

F Legal Cases

In respect of Matters Going against the company towards Legal Cases 8.65

- (ii) The Honourable Supreme Court of India vide its order dated 28th February, 2019 held that 'Basic Wages' for the contribution towards Provident Fund (PF) should only exclude [in addition to specific exclusions under Section 2(b)(ii) of the Employees Provident Fund Act, 1952]:

a) amounts that are payable to the employee for undertaking work beyond the normal work which he/she is otherwise required to put in and

b) allowances which are either variable or linked to any incentive for production resulting in greater output by an employee and that the allowances are not paid across the board to all employees in a particular category or were being paid especially to those who avail the opportunity.

With reference to the above mentioned judgment, the Group's Management is of the view that there is considerable uncertainty around the timing, manner and extent in which the judgment will be interpreted and applied by the regulatory authorities. Management is of the view that any incremental outflow in this regard can only be determined once the position being taken by the regulatory authorities in this regard is known and the Management is able to evaluate all possible courses of action available.

Accordingly, provision for the month of March 2020 has been recognized in the Financial Statements in this regard.

A Capital Commitments

- (i) Estimated amount of contracts remaining to be executed on capital account and not provided for

7.74



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

39 Segment reporting

- (a) The Managing Director/ Chief Executive Officer of the Company allocate resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). Custom Moulding Business is identified as single operating segment for the purpose of making decision on allocation of resources and assessing its performance.

(b) Information about geographical areas

(i) Revenue from External Customers

Particulars	31 March 2020
India	845.70
Outside India	47.00
Total	892.70

Revenue from external customer is allocated based on the location of customers.

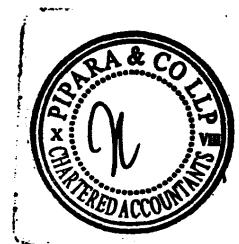
(ii) Non - Current Assets

Particulars	31 March 2020
India	2,787.58
Outside India	33.76
Total	2,821.34

Non-current assets include property, plant and equipment, capital work in progress, intangible assets and capital advances. It is allocated based on the geographic location of the respective assets.

(c) Information about major customers

There is no customer representing more than 10% of the total balance of trade receivables.



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

40 Related party disclosures

As per the Indian Accounting Standard-24 on "Related Party Disclosures", list of related parties identified of the Group are as follows.

(a) Key Managerial Personnel ("KMP")

1. Mr. Amit D. Patel (Chairman & Managing Director)	9. Mrs. Mamta P. Tripathi, (Independent Director) (w.e.f. 14 th November, 2019)	17. Mr. Yash Sheth (Company Secretary)
2. Mr. Rahul A. Patel (Director)	10. Mr. Sandeep M. Singhi (Independent Director) (upto 2nd October, 2019)	
3. Shri Sameer Joshipura, Managing Director (upto 14/08/2019)	11. Mrs. Gauri S. Trivedi (Independent Director) (upto 9th November, 2019)	
4. Mr. Desh Raj Dogra (Independent Director)	12. Mr. Pravin K. Laheri (Independent Director) (upto 11th November, 2019)	
5. Mr. Amal D. Dhru (Independent Director)	13. Shri Tashwinder Singh, Nominee Director (upto 09/07/2019)	
6. Mr. Dinesh Khara (Independent Director)	14. Shri Bijaya Behera, Managing Director (w.e.f. 15/11/2019)	
7. Mr. Bhavan Trivedi, (Independent Director) (w.e.f. 14th November, 2019)	15. Shri Ankur Arora, CFO (upto 28/06/2019)	
8. Mr. Yogesh L. Chhunchha, (Independent Director) (w.e.f. 14 th November, 2019)	16. Mr. Pradeep M. Shah (Chief financial Officer) (w.e.f. 7 th February, 2020)	



Related party disclosures

As per the Indian Accounting Standard-24 on "Related Party Disclosures", list of related parties identified of the Company are as follows.

(a) Parent Entity

Sintex Plastics Technology Limited

(b) Other related parties

Fellow subsidiary	Sintex Prefab and Infra Limited
Enterprises over which Key Managerial Personnel are able to exercise significant influence / control	Som Shiva (Impex) Ltd Granula Masterbatches India Pvt. Ltd Healwell International Limited

(c) Transactions with related parties:

The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel related entities on an arm's length basis.

The aggregate value of the Group's transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence is as follows:

Nature of transactions	Year	Nature of Relationship			
		Entities over KMP exercise significant influence / control	Holding Company	Fellow Subsidiaries	Total
Purchase of goods/services					
- Sintex Prefab And Infra Limited	2020	-	-	0.01	0.01
- Som Shiva (Impex) Ltd	2020	5.08	-	-	5.08
- Sintex Plastics Technology Limited	2020	-	4.44	-	4.44
- Granula Masterbatches India Pvt. Ltd	2020	-	5.35	-	5.35
Sale of goods/services					
- Som Shiva (Impex) Ltd	2020	0.06	-	-	0.06
Managerial Remuneration					
- Som Shiva (Impex) Ltd	2020	-	-	0.84	0.84
Unsecured Loan taken					
- Sintex plastics technologies limited	2020	-	4.89	-	4.89
Unsecured Loan / Advance Given					
- Sintex prefab and infra limited	2020	-	-	0.08	0.08



Balances with related parties

		Nature of Relationship				
Nature of transactions	Year	Subsidiaries	Holding Company	Fellow Subsidiaries	Entities over KMP exercise significant influence / control	Total
Trade payable						
- Sintex Prefab And Infra Limited	2020	-	-	0.43	-	0.43
- Sintex Plastics Technology Limited	2020	-	1.97	-	-	1.97
- Som Shiva (Impex) Ltd	2020	-	-	-	4.28	4.28
- Granula Masterbatches India Pvt. Ltd	2020	-	-	-	5.15	5.15
Trade receivable						
- Sintex prefab and infra limited	2020	-	-	74.82	-	74.82
Loan given						
- Sintex prefab and infra limited	2020	-	-	35.08	-	35.08
Borrowing						
- Sintex plastics technologies limited	2020	-	13.78	-	-	13.78

Key Management Personnel who are under the employment of the Holding Company are not entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - Employee benefits in the Consolidated financial statements.



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

41 Fair value measurements

A. Accounting Classification & Fair Value Hierarchy

Financial Assets and Liabilities :

The Group principal financial assets include investments, trade receivables, cash and cash equivalents, other bank balances, loans, derivative assets and other financial assets. The Company's principal financial liabilities comprise of borrowings, trade payables, derivative liabilities and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations and projects.

Fair Value Hierarchy :

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels.

Level 1 : It includes investment in equity shares and mutual fund that has a quoted price and which are actively traded on the stock exchanges. It is been valued using the closing price as at the reporting period on the stock exchanges.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : These instruments are valued based on significant unobservable inputs whereby future cash flows are discounted using appropriate discount rate.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

B. Accounting classification and fair values

As at 31 March 2020

Particulars	FVTPL	FVTOCI	Amortised cost	Total	Fair Value			Total
					Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Investments	-	-	-	-	-	-	-	-
Trade receivables	-	-	193.41	193.41	-	-	-	-
Cash and cash equivalents	-	-	576.44	576.44	-	-	-	-
Other bank balance	-	-	0.43	0.43	-	-	-	-
Loans	-	-	172.70	172.70	-	-	-	-
Other financial assets	-	-	7.95	7.95	-	-	-	-
Total Financial assets	-	-	950.93	950.93	-	-	-	-
Borrowings (incl. current maturities)	-	-	2,429.77	2,429.77	-	-	-	-
Trade payable	-	-	220.34	220.34	-	-	-	-
Other financial liabilities	-	-	617.39	617.39	-	-	-	-
Total Financial liabilities	-	-	3,267.50	3,267.50	-	-	-	-



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

42 Financial instruments risk management objectives and policies

The Group's financial liabilities comprise mainly of borrowings, trade and other payables. The Group's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Group is exposed to Market risk, Credit risk and Liquidity risk. The management oversight in the area of financial risks and controls. It also covers policies on specific risk areas such as currency risk, interest rate risk, credit risk and investment of surplus funds.

(i) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the Group. The potential activities where credit risks may arise include from cash and cash equivalents, derivative financial instruments and security deposits or other deposits and principally from credit exposures to customers relating to outstanding receivables. The maximum credit exposure associated with financial assets is equal to the carrying amount. Details of the credit risk specific to the Group along with relevant mitigation procedures adopted have been enumerated below:

Trade and other receivables

The average credit period on sales of goods is 0 to 180 days. Credit Risk arising from trade receivables is managed in accordance with the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined/modified. The concentration of credit risk is limited due to the fact that the customer base is large. There is no customer representing more than 10% of the total balance of trade receivables.

Age of receivables

Particulars	31 March 2020
Not Due	12.93
0-3 Months	76.10
3-6 Months	16.46
6-12 Months	7.59
more than 365 days	122.52
Total	235.60

The Holding Company and its subsidiaries has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Holding Company and its subsidiaries uses publicly available financial information and its own trading records to rate its major customers. The Holding Company and its subsidiaries' exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. The above receivables which are past due but not impaired are assessed on case-to-case basis. Management is of the view that these financial assets are not impaired as there has not been any adverse change in credit quality and are envisaged as recoverable based on the historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings, if they are available. There are no other classes of financial assets that are past due but not impaired.



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

Movements in expected credit loss allowance

Particulars	31 March 2020
Balance at the beginning of the year	24.75
Movements in allowance	22.92
Derecognition on account of loss of control on disposal/dissolution/liquidation of subsidiaries	(5.47)
Balance at the end of the year	42.20

The maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

Particulars	Carrying amount 31 March 2020
India	211.99
Other regions	23.61
Total	235.60

Other financial assets

Other financial assets includes loan to employees, security deposits, investments, cash and cash equivalents, other bank balance, advances to employees etc.

- Cash and cash equivalents and Bank deposits are placed with banks having good reputation and past track record with adequate credit rating.
- The credit risk on liquid funds is limited because the counterparties are institutions with high credit-ratings assigned by international credit-rating agencies.
- The Group has given security deposit to various government authorities. Being government authorities, the Holding Company and its subsidiaries does not have exposure to any credit risk.

(ii) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. The Group is exposed to liquidity risk due to bank borrowings and trade and other payables. The Group measures risk by forecasting cash flows. The Group approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Group reputation. The Group ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

Further, the Holding Company and its subsidiaries has also tied-up additional sources of liquidity to meet the liabilities during the respective annual years which has ensured that the Group has a clean track record with no adverse events pertaining to liquidity risk.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

As at 31 March 2020	Carrying amount	Contractual maturities		
		Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Borrowings (incl. current maturities)	2,429.77	2,429.77	2,377.33	52.44
Trade payables	220.34	220.34	220.34	-
Other financial liabilities	617.39	617.39	610.36	7.03
Total	3,267.50	3,267.50	3,208.03	59.47

(iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments.

(a) Currency risk

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts and currency options taken at the time of initiation of the booking by the management. Such decision is taken after considering the factors such as upside potential, cost of structure and the downside risks etc. Quarterly reports are submitted to Management Committee on the covered and open positions and MTM valuation. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Unhedged foreign currency exposure

Particulars	31 March 2020				
	USD	EUR	INR	Others	Total
Financial assets					
Investments	-	-	-	-	-
Trade receivables	23.61	-	169.80	-	193.41
Cash and cash equivalents	4.70	482.13	89.61	-	576.44
Bank balances other than (iii) above	-	-	0.43	-	0.43
Loans	-	-	172.70	-	172.70
Other financial assets	-	-	7.95	-	7.95
Total Financial assets	28.31	482.13	440.49	-	950.93
Financial liabilities					
Borrowings	362.23	9.60	2,057.94	-	2,429.77
Trade payables	2.83	0.11	217.40	-	220.34
Other financial liabilities	17.37	-	600.02	-	617.39
Total Financial liabilities	382.43	9.71	2,875.36	-	3,267.50
Net exposure to foreign currency	354.12	(472.42)	2,434.87	-	2,316.57



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

ii) Sensitivity analysis

Particulars	Impact on profit before tax 31 March 2020
Foreign Currency Exposure	
- increase by 1%	(1.18)
- decrease by 1%	1.18

b) Price risk

i) Exposure

The Group's exposure to price risk in the investment in mutual funds and equity shares arises from investments held by the Group and classified in the balance sheet as fair value through profit or loss including OCI. Management monitors the prices closely to mitigate its impact on profit and cash flows.

The investments in mutual funds are designated as FVTPL while investment in equity shares are designated as FVOCI.

c) Interest rate risk

The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Group has exposure to interest rate risk, arising principally on changes in PLR and LIBOR rates. The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible debentures and short term loans. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

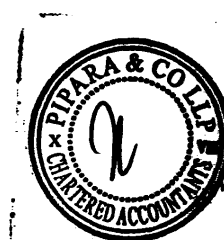
Exposure to interest rate risk

The interest rate profile of the Group's interest - bearing financial instrument as reported to management is as follows:

Particulars	31 March 2020
Fixed-rate instruments	
Financial assets	1.24
Financial liabilities	1,365.61
Variable-rate instruments	
Financial assets	-
Financial liabilities	1,064.16

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

Sensitivity analysis

Particulars	Impact on profit before tax 31 March 2020
Interest rate	
- increase by 50 basis points	5.32
- decrease by 50 basis points	(5.32)

(iv) Capital management

For the purpose of the Group's capital management, capital includes paid-up equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, to equity share holders.

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of net debt and total equity of the Group.

Particulars	31 March 2020
Total borrowings*	2,429.77
Less: cash and bank balances	(576.87)
Adjusted net debt	1,852.90
Total equity	477.46
Adjusted net debt to equity rat	3.88

* Includes non-current borrowings, current borrowings and current maturities of non-current borrowings. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020.



Sintex-BAPL Limited

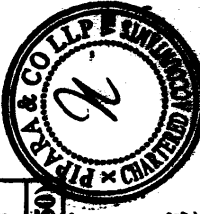
Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

43 Information required for consolidated financial statements pursuant to Schedule III of the Companies Act, 2013 :

Sr. No.	Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive income (OCI)		Share in Total Comprehensive income (TCI)	
		31 March 2020	31 March 2020	31 March 2020	31 March 2020	31 March 2020	31 March 2020	31 March 2020	31 March 2020
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
1	Parent Sintex-BAPL Limited	18.52%	88.42	225.03%	(1,280.80)	-1.05%	(0.59)	250.03%	(1,281.39)
2	Indian subsidiaries BAPL Rototech Private Limited	2.87%	13.69	-0.09%	0.50	0.25%	0.14	-0.13%	0.64
3	Foreign subsidiaries Sintex Holdings BV Sintex Logistics LLC Sintex NP SAS and its subsidiaries (Up to 24th October, 2019)	108.57% 1.20% 0.00%	518.39 5.72 -	-116.77% 0.70% -8.89%	664.58 (3.98) 50.58	- - -	- - -	-129.67% 0.78% -9.87%	664.58 (3.98) 50.58
4	Minority Interest in subsidiary	0.86%	4.11	-0.03%	0.15	0.07%	0.04	-0.04%	0.19
5	Consolidation adjustments including elimination of intra group transactions	-32.02%	(152.88)	0.03%	(0.19)	100.72%	57.06	-11.10%	56.87
	Total	100.00%	477.46	100.00%	(569.16)	100.00%	56.65	100.00%	(512.50)



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

- 44 **Non-controlling Interest represents the non-controlling's share in equity of the subsidiaries as below:**

Particulars	31 March 2020
- Share in equity capital	4.65
- Share in reserves and surplus	(0.74)
- Share in profit for the year	0.15
- Share in other comprehensive income	0.04
	<u>4.11</u>

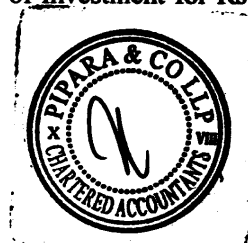
- 45 **Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:**

Particulars	31 March 2020
Revenue as per contracted price	892.70
Adjustments	
Discounts / rebates / incentives	-
Sales returns / credits / reversals	-
Deferrment of revenue	-
Any other adjustments	-
Revenue from contract with customers	892.70

Disaggregation of revenue

The management determines that the segment information reported under Note 42 Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no separate disclosures of disaggregated revenues are reported.

- 46 As at 31 March 2020, Sintex BAPL Ltd of the Group has foreign currency receivables aggregating Rs. 14.20 Crores which are outstanding for a period greater than nine months. As per Reserve Bank of India's (RBI) circular on Foreign Exchange Management (Export of Goods & Services) Regulation, 2015 ('FEMA Guidelines'), the exports made by the Company shall be realized and repatriated to India within nine months from the date of export of goods or services rendered. Out of the total receivables of Rs. 14.20 Crores, the Company has intimated to Authorised Dealer (AD) Bank for condonation of delay for the amounts aggregating to Rs. 6.48 Crores. For the remaining balance, the Company is in process of informing to AD Bank for condonation of delay.
- 47 During the year the Group had entered into agreement to sell its entire equity holding in one of its wholly owned subsidiary, Sintex NP SAS, to a consortium of private equity investors. Pursuant to that agreement, the sale transaction was concluded on 24th October, 2019 and a consideration of Euro 155 Million has been received by its wholly owned subsidiary, Sintex Holding BV. Out of the said proceeds Euro 55 million are lying with the bank accounts held under the name of the said subsidiary as on 31.03.2020, as per management representation. The Consolidated Financial statements for the Year ended on 31st March, 2020 have been restated (Continuing & Discontinued Operations). Further on account of this sale the group has earned gain on sale of Investment for Rs 787.40 Cr which has been recorded as an exceptional item in profit & loss a/c.



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

- 48 Sintex BAPL Limited holding Company has accounted for the 'Sintex' Brand in the year ended 31 March 2017 at fair value based on approved court scheme. During the year Company has obtained independent valuation report for impairment testing of 'Sintex' (Brand) having indefinite useful life relating to the recoverable value of the 'Sintex' brand, as owned by the Company and recognized as an indefinite life intangible asset. During the year i.e. in October 2019, the management had disposed its entire equity holding in Sintex NP SAS, a wholly-owned step down subsidiary, whose estimated future revenues were originally included for determination of the recoverable value of the brand. An independent assessment through an authorized valuer reflected the current value of the said brand at Rs. 700 crores; resultantly the company has recognized an impairment loss of Rs. 800 Crore to reflect the carrying value of the brand. We have relied upon the report of the independent valuer, being a subject matter expert.
- 49 The holding company has defaulted in repayment of principal and interest payments to banks, financial institutions and debenture holders and the period and amount of continuing default as on the Balance sheet date are as under:

(Rs. in Crores)

Particulars	Overdue/Default*			Overdue period
	Principal	Interest	Total	
<u>Shown Under Current Borrowing</u>				
Privately Placed NCD Rs 200 Cr	-	14.16	14.16	27.08.2019-31.03.2020
<u>Debantures : KKR Facility</u>				
BOI AXA Corporate Credit Spectrum Fund	-	2.51	2.51	31.12.2019-31.03.2020
KKR India Debt Opportunities Fund II	-	2.01	2.01	31.12.2019-31.03.2020
KKR India Financial Private Limited	-	2.63	2.63	31.12.2019-31.03.2020
L&T finance Ltd	-	6.76	6.76	31.12.2019-31.03.2020
<u>Term Loans</u>				
KKR India Financial Private Limited	-	6.14	6.14	31.12.2019-31.03.2020
HDFC Bank	13.32	1.46	14.78	01.10.2019-31.03.2020
RBL Bank	30.51	9.68	40.19	31.08.2019-31.03.2020
Yes Bank	-	0.63	0.63	01.11.2019-31.03.2020
HDFC ECB UnSecured Loan	28.27	4.69	32.96	21.11.2019-31.03.2020
ADCB Unsecured loan	188.48	9.20	197.68	08.10.2019 & recall notice dated 21.10.2019
<u>Working Capital</u>				
SBI CC	132.82	6.34	139.16	31.05.2019-31.03.2020
BOB CC	76.36	12.83	89.19	31.05.2019-31.03.2020
Yes CC & WCTL	29.73	1.84	31.57	31.05.2019-31.03.2020
HDFC CC	6.27	-	6.27	31.05.2019-31.03.2020
RBL CC	17.19	2.85	20.04	31.08.2019-31.03.2020
Total (A)	522.95	83.73	606.68	



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

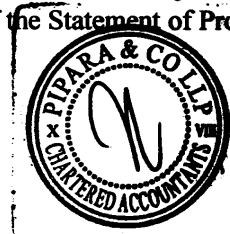
for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

Shown Under other financial Liabilities				
DB Bank (Un-Secured)	49.98	4.93	54.91	18.05.2019-31.03.2020
Axis Bank (Un-Secured)	218.21	14.88	233.09	30.06.2019-31.03.2020
Total (B)	268.19	19.80	288.00	
Grand Total	791.14	103.53	894.68	

* Overdue computed as per company's working

- 50 "The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period of time. Measures taken to contain the spread of the virus, have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. The Group operations were suspended in all the plants during lock down period of March-20 & April 20 and have resumed post lockdown as per government directives/restrictions on account of COVID 19. The impact of covid-19 may be different from than estimated as at the date of approval of these financials results and the Group will continue to closely monitor the developments. Though a definitive assessment of the impact is not possible in view of the high uncertain economic environment and the scenario is still evolving.
- 51 Sintex BAPL Limited (holding company), has reversed the deferred tax liability to reflect the net deferred tax assets position, being available for offset between four to twelve years. Despite ongoing financial difficulties experienced by the company, the management is of the view that with the turnaround of business the said credit shall be available to the company. Similarly, MAT credit is recognized as deferred tax asset by the Company which is available for offset between four to twelve years. Despite ongoing financial difficulties experienced by the Company, the management is of the view that with the turnaround of business, the said credit shall be available to the company.
- 52 Sintex BAPL Limited (holding company), has not transferred any amount to 'Debenture Redemption Reserve' on account of net loss position during the year.
- 53 During the year, the Group had identified inventories which did not meet the quality parameters and were rendered unusable. These stocks were either scrapped off during the year or recognized at cost or NRV, whichever is less.
- 54 Sintex BAPL Limited (holding company), had obtained an additional working capital loan of Rs. 130 crores from a lender, of which Rs. 98 crores out of this was placed as inter corporate deposit (ICDs) with Sintex Industries Limited (SIL) on which interest has been accrued and is pending recovery.
- 55 Sintex BAPL Limited (holding company), has neither provided nor spent any amount towards Corporate Social Responsibility on account of liquidity & cash flow problems.
- 56 Sintex BAPL Limited (holding company), has recorded borrowing of Rs. 219.94 Crores (amount as at 30th September, 2019) towards discounting facility sanctioned by Axis Bank Limited vide sanction letter dated 11th September, 2017 by adjusting reserves and surplus, for the value of principal outstanding, since it pertains to earlier years. Interest on the same has been provided in profit and loss account and out of which Rs. 89.07 crores pertains to earlier years. The said amount has been disclosed as Prior Period Expenses on the face of the Statement of Profit



Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the Year ended 31 March 2020

(Currency: Indian Rupees in Crores)

57 As per the management, Group is in the process of resolving the liquidity & cash flow issues by identifying & disinvesting assets strategically and hence has a positive outlook towards the future cash flows & turnaround. Accordingly, the accompanying reports have been prepared on a going concern basis, by the Group.

58 As BAPL consolidation is prepared for first time and hence previous year figure has not been provided.

As per our report of even date attached

For Pipara & Co LLP

Chartered Accountants


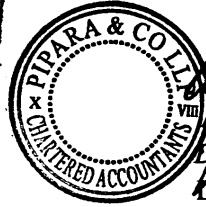
FRN No: 107929W/W100219



Naman Pipara
Partner


M No: 140234

UDIN : 20140234AAAAHZ9159



Amit D. Patel
Director
DIN:00171035

For and on behalf of the Board of Directors
Sintex-BAPL Limited



Rahul A. Patel
Director
DIN: 00171198




Yash Smith
Company Secretary

Place : Ahmedabad

Date : 31-08-2020



Bijaya Behera
Managing Director
DIN: 08553621



Pradeep Shah
Chief Financial Officer

Sintex-BAPL Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2020

(Currency: Indian Rupees in Crores)

Form AOC-1
(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Sr. No.	Name of the Subsidiary Company	Reporting period	Reporting Currency#	Share Capital	Other Equity	Total Assets	Total Liabilities	Investments other than Investments in subsidiaries	Turnover/ Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Shareholding
1	Sintex-BAPL Limited	31-03-2020	INR	16.03	72.42	3,412.83	3,324.38	-	853.39	(1,392.59)	(111.79)	(1,280.80)	-	100%
2	BAPL Rototech Private Limited	31-03-2020	INR	10.07	3.62	56.86	43.17	-	40.57	0.76	0.26	0.50	-	70%
3	Sintex Logistics LLC*	31-03-2020	USD	8.23	(2.51)	17.49	11.77	-	43.51	(3.84)	0.14	(3.98)	-	100%
4	Sintex Holdings B.V.*	31-03-2020	USD	131.93	386.46	522.46	4.07	-	24.82	664.58	-	664.58	-	100%

The Indian rupee equivalents of the figures given in the accounts of the subsidiary companies, have been given on the basis of appropriate exchange rate as follows :
Closing rate:

31 March 2020: 1 USD = 75.3900

31 March 2019: 1 EUR = 77.7024 & 1 USD = 69.1713

Average rate:

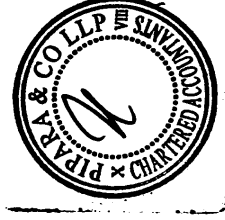
31 March 2020: 1 USD = 72.2800

31 March 2019: 1 EUR = 80.9288 & 1 USD = 69.8889

* Financial Information is based on Unaudited Results.

During the year the Group had entered into agreement to sell its entire equity holding in one of its wholly owned subsidiary, Sintex NP SAS (including its subsidiaries), to a consortium of private equity investors. Pursuant to that agreement, the sale transaction was concluded on 24th October, 2019. Hence Sintex NP SAS (including its subsidiaries) ceased to be subsidiaries of the Company.

(Currency: Indian Rupees in Crores)

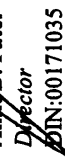


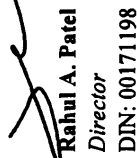
Part "B" : Associates and Joint Ventures										
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures										
		Share of Associate / Joint Ventures held by the company on the year end				Profit / Loss for the year				
Sr. No.	Name of Associates/ Joint Ventures	Latest audited Balance Sheet Date	No.	Amount of Investment in Associate/ Joint Venture (₹ in crore)	Extent of Holding %	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in crore)	Considered in Consolidation (₹ in crore)	Not Considered in Consolidation	Description of how there is significant influence	Reason why the associate / joint venture is not consolidated
NIL										

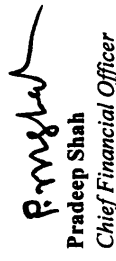
For and on behalf of the Board of Directors

Sintex-BAPL Limited
CIN U25199GJ00750001364


Anil B. Patel
Director
DIN: 00171035


Bhaya Belera
Managing Director
DIN: 08553621


Rahul A. Patel
Director
DIN: 00171198


Pradeep Shah
Chief Financial Officer


Yash Sheth
Company Secretary



31 AUG 2020