



**INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS  
TO THE MEMBERS OF RTM PROPERTIES COMPANY LIMITED**

**Opinion**

We have audited the accompanying Standalone Ind AS financial statements of RTM PROPERTIES LIMITED ("the Company"), which comprises the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, its Profit including other comprehensive income, its cash flows and the changes in Equity for the year ended on that date.

**Basis for Opinion**

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

**Information Other than the Standalone Ind AS Financial Statements and  
Auditor's Report Thereon**

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





### Management's Responsibility for the Standalone Ind AS Financial Statements

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

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

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the companies ( Auditor's Report ) Order 2016 ( " The Order " ) issued by the Central Government of India in terms of sub-section (11) of the section 143 of the Act, we give in the Annexure 'A' a statement on the matter specified in paragraph 3 and 4 of the Order , to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors 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 over financial reporting of the Company and the operative effectiveness of such controls, refer to our separate report in Annexure 'B'.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.N.ROY & CO  
Chartered Accountants  
Firm Registration No - 313054E

(Ranajit Majumdar)  
Partner  
Membership No - 060098  
UDIN:20060098AAAACW9318

Place : Kolkata  
Date : 19<sup>th</sup> June, 2020





**Annexure - A to the Independent Auditor's Report**

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to statutory audit of RTM PROPERTIES LIMITED for the year ended 31st March 2020, we report that :

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.  
  
(b) The management has physically verified the Property, Plant & Equipment of the company to cover the entire block of assets once in a year and no material discrepancies were noticed. The procedure adopted by the management is reasonable in our opinion having regard to the size of the Company and nature of its assets.  
  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The company has no manufacturing and / or trading activities and as such the question of having any stock and maintenance of records in respect thereof and physical verification of inventory does not arise. Thus, paragraph 3(ii) of the order is not applicable.
- iii. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the order is not applicable.
- iv. The company has neither given any loan nor have made any investment during the year and thus paragraph 3(iv) of the order is not applicable.
- v. The Company has not accepted any deposits from the public during the year. Thus, paragraph 3(v) of the Order is not applicable.
- vi. The Company is not required to maintain any cost records under section 148(1) of the Act. Thus, paragraph 3(vi) of the Order is not applicable.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Excise Duty, Duty of Customs, Value Added Tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, VAT, Cess and other material statutory dues were in arrears as at 31st March, 2020 for the period of more than six months from the date they become payable.  
  
(b) According to the information and explanations given to us, there are no material dues of Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Value Added Tax which have not been deposited with the appropriate authorities on account of any dispute.





- viii. The Company has not borrowed from financial institutions or Banks or Government issued Debentures during the year. Thus, paragraph 3(viii) of the Order is not applicable.
- ix. The Company has not raised any money by way of initial public offer or further public offer including debt instruments and term loans during the year. Thus, paragraph 3(ix) of the Order is not applicable.
- x. According to the information and explanations given by the management, we report that no fraud on the Company by its officers or employees has been noticed or reported during the course of our Audit.
- xi. The Company has no whole time Director or manager in the financial year. Hence, paragraph 3(xi) of the Order is not applicable.
- xii. The Company is not a Nidhi Company. Hence, paragraph 3(xii) of the Order is not applicable.
- xiii. The Company has not entered into any transactions with related party as defined in Section 177 and Section 188 of the Companies Act, 2013 and thus paragraph 3(xiii) of the Order is not applicable.
- xiv. According to the information and explanations given by the management and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Thus, paragraph 3(xiv) of the Order is not applicable.
- xv. According to the information and explanations given by the management and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Thus, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as it is governed by another regulator. Thus, paragraph 3(xvi) of the Order is not applicable.

For S.N.ROY & CO  
Chartered Accountants  
Firm Registration No - 313054E

(Ranajit Majumdar)  
Partner  
Membership No - 060098  
UDIN:20060098AAAACW9318



Place : Kolkata  
Date : 19<sup>th</sup> June, 2020

### Annexure – B to the Independent Auditor's Report

The Annexure referred to in paragraph 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to internal financial control under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 of **PROPERTIES LIMITED** for the year ended 31st March 2020, we report that :

We have audited the internal financial controls over financial reporting of **RTM PROPERTIES LIMITED** ("the Company") as of 31st March 2020 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements 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 with reference to these Standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements, 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 Standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to these Standalone Ind AS financial statements.





### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with reference to these Standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Standalone Ind AS financial statements includes those policies and procedures that :

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone 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 Standalone financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to these Standalone Ind AS financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements, 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 with reference to these Standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these Standalone Ind AS financial statements were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.N.ROY & CO  
Chartered Accountants  
Firm Registration No – 313054E

(Ranajit Majumdar)  
Partner  
Membership No – 060098  
UDIN:20060098AAAACW9318



Place : Kolkata  
Date : 19<sup>th</sup> June, 2020

**RTM Properties Limited**  
**Balance Sheet as at 31 March 2020**

(Rs. In lakhs)

Particulars	Note No	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<b>ASSETS</b>				
<b>1. Non-current assets</b>				
(a) Property, plant and equipment	3	80.10	72.81	65.66
(b) Investment properties	4	613.54	619.77	626.00
(c) Financial assets				
(i) Investments	5	816.36	844.81	205.81
(ii) Other financial assets	6	0.92	0.92	0.02
(d) Non-current tax assets (net)	7	1.48	1.25	0.09
<b>Total non-current assets</b>		<b>1,512.40</b>	<b>1,539.55</b>	<b>897.58</b>
<b>2. Current assets</b>				
(a) Financial assets				
(i) Cash and cash equivalents	8	58.26	64.41	14.03
(ii) Other financial assets	9	1.34	0.08	2.59
(b) Other current assets	10	0.13	0.12	0.12
<b>Total current assets</b>		<b>59.73</b>	<b>64.61</b>	<b>16.74</b>
<b>TOTAL ASSETS</b>		<b>1,572.13</b>	<b>1,604.16</b>	<b>914.32</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity share capital	11	1,099.90	1,099.90	840.90
(b) Other equity	12	452.44	496.77	(5.36)
<b>Total equity</b>		<b>1,552.34</b>	<b>1,596.67</b>	<b>835.54</b>
<b>LIABILITIES</b>				
<b>1. Non-current liabilities</b>				
(a) Deferred tax liabilities	13	14.87	3.20	-
<b>Total non-current liabilities</b>		<b>14.87</b>	<b>3.20</b>	<b>-</b>
<b>2. Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	14	-	-	75.00
(ii) Trade payables				
total outstanding dues of micro enterprises and small enterprises; and		-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises.	15	4.78	4.15	1.41
(ii) Other financial liabilities	16	-	-	2.00
(b) Other current liabilities	17	0.14	0.14	0.37
<b>Total current liabilities</b>		<b>4.92</b>	<b>4.29</b>	<b>78.78</b>
<b>Total liabilities</b>		<b>19.79</b>	<b>7.49</b>	<b>78.78</b>
<b>Total equity and liabilities</b>		<b>1,572.13</b>	<b>1,604.16</b>	<b>914.32</b>


Summary of significant accounting policies

The accompanying notes are an integral part of these financial statements.

2

In terms of our Report of even date attached.

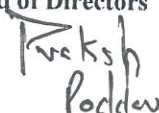
**For S.N.Roy & CO.**  
**Chartered Accountants**  
**Firm Registration No.-313054E**


  
**Ranajit Majumdar**  
**Partner**  
**Membership No.- 060098**  
**UDIN: 20060098AAAAACW9318**  
**Place: Kolkata**  
**Date: 19 June 2020**



**For and on Behalf of the Board of Directors**

  
**Sunil Choraria**  
**Managing Director**  
**DIN : 00015449**

  
**Prakash Poddar**  
**Director**  
**DIN:03369479**

  
**Brij Bhushan Singh**  
**Chief Financial Officer**



**RTM Properties Limited**  
**Statement of profit and loss for the year ended 31 March 2020**

(Rs. In lakhs)

Particulars	Note No	Year ended 31 March 2020	Year ended 31 March 2019
<b>Income</b>			
Revenue from operations	18	42.00	42.00
Other income	19	56.36	32.60
<b>Total income (I)</b>		<b>98.36</b>	<b>74.60</b>
<b>Expenses</b>			
Finance cost	20	-	3.27
Depreciation and amortization	21	17.90	16.28
Other expenses	22	31.48	32.49
<b>Total expenses (II)</b>		<b>49.38</b>	<b>52.04</b>
<b>Profit / (loss) before tax (I - II)</b>		<b>48.98</b>	<b>22.56</b>
<b>Income tax expense</b>			
Current tax	23	8.39	12.34
Deferred tax		11.67	3.20
<b>Total Tax expenses</b>		<b>20.06</b>	<b>15.54</b>
<b>Profit / (Loss) for the period (V-VI)</b>		<b>28.92</b>	<b>7.02</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Change in fair value of FVOCI equity instruments		(73.25)	3.00
Income taxes relating to these items		-	-
<b>Total other comprehensive income for the year, net of tax</b>		<b>(73.25)</b>	<b>3.00</b>
<b>Total comprehensive income for the year</b>		<b>(44.33)</b>	<b>10.02</b>
<b>Earnings per equity share</b>			
[Nominal value of share `10]	24	0.26	0.06
Basic and diluted earnings per equity share			

2

The accompanying notes are an integral part of these financial statements.

In terms of our attached report of even date.

**For S.N.Roy & CO.**  
**Chartered Accountants**  
**Firm Registration No.-313054E**

**Ranajit Majumdar**  
**Partner**  
**Membership No.- 060098**  
**UDIN: 20060098AAAACW9318**  
**Place: Kolkata**  
**Date: 19 June 2020**



**For and on Behalf of the Board of Directors**

**Sunil Choraria**  
**Managing Director**  
**DIN : 00015449**

**Brij Bhushan Singh**  
**Chief Financial Officer**

**Prakash Poddar**  
**Director**  
**DIN:03369479**

**RTM Properties Limited**  
Statement of changes in equity for the year ended 31 March 2020

(Rs. In lakhs)

**A. Equity share capital**

Description	Note	Amount
As at 01 April 2018	11	840.90
Changes in equity share capital		259.00
<b>As at 31 March 2019</b>	11	<b>1,099.90</b>
Changes in equity share capital		-
<b>As at 31 March 2020</b>	11	<b>1,099.90</b>

**B. Other equity**

Description	Note	Reserve and surplus		Equity instruments through other comprehensive income	Total other equity
		Securities Premium	Retained earnings		
As at 01 April 2018	12	-	(167.50)	162.14	(5.36)
Profit for the year		-	7.02	-	7.02
Other comprehensive income for the year		-	-	3.00	3.00
<b>Total comprehensive income for the year</b>		-	<b>7.02</b>	<b>3.00</b>	<b>10.02</b>
Issue of equity shares		492.10			492.10
<b>As at 31 March 2019</b>	12	<b>492.10</b>	<b>(160.47)</b>	<b>165.14</b>	<b>496.77</b>
Balance at 01 April 2019		492.10	(160.47)	165.14	496.77
Profit for the year		-	28.92	-	28.92
Other comprehensive income for the year		-	-	(73.25)	(73.25)
<b>Total comprehensive income for the year</b>		-	<b>28.92</b>	<b>(73.25)</b>	<b>(44.33)</b>
<b>As at 31 March 2020</b>	12	<b>492.10</b>	<b>(131.55)</b>	<b>91.89</b>	<b>452.44</b>

In terms of our attached report of even date.

For S.N.Roy & CO.  
Chartered Accountants  
Firm Registration No.-313054E

Ranajit Majumdar  
Partner  
Membership No.- 060098  
UDIN: 20060098AAAACW9318  
Place: Kolkata  
Date: 19 -06-2020



For and on Behalf of the Board of Directors

Sunil Choraria  
Managing Director  
DIN : 00015449

Brij Bhushan Singh  
Chief Financial Officer

Prakash Poddar  
Director  
DIN:03369479



**RTM Properties Limited**  
**Cash Flow Statement for the year ended 31 March 2020**

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
(Rs. In lakhs)		
<b>(A) CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit before taxes	48.98	22.56
<b>Adjustments for:</b>		
Depreciation and amortisation expense	17.90	16.28
Change in fair value of investments measured at FVTPL	(40.07)	(10.99)
(Profit)/Loss on sale of Investment	(4.73)	(18.63)
Dividend income	(7.50)	(2.38)
Interest income	(4.06)	(0.40)
Interest expense	-	3.27
<b>Operating profit before working capital changes</b>	<b>10.52</b>	<b>9.71</b>
<b>Adjustments for:</b>		
Non-Current/Current financial and other assets	(1.28)	1.62
Non-Current/Current financial and other liabilities	0.63	0.51
<b>Cash generated from operations</b>	<b>9.87</b>	<b>11.84</b>
Income taxes paid (net)	(8.62)	(13.50)
<b>Net cash from/(used in) operating activities</b>	<b>1.25</b>	<b>(1.66)</b>
<b>(B) CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for purchase of investments	(100.00)	(625.00)
Proceeds from sale of investments	95.27	-
(Profit)/Loss on sale of Investment	4.73	18.63
Payment made for purchase of Investment property	(18.96)	(17.20)
Dividend received	7.50	2.38
Interest received	4.06	0.40
<b>Net cash from/(used in) investing activities</b>	<b>(7.40)</b>	<b>(620.79)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from issue of shares	-	751.10
Proceeds from borrowings	-	5.00
Repayment of borrowings	-	(80.00)
Interest paid	-	(3.27)
<b>Net cash from/(used in) financing activities</b>	<b>-</b>	<b>672.83</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(6.15)</b>	<b>50.38</b>
Cash and cash equivalents at the beginning of the period	64.41	14.03
<b>Cash and cash equivalents at the end of the period</b>	<b>58.26</b>	<b>64.41</b>

In terms of our attached report of even date.

For S.N.Roy & CO.  
Chartered Accountants  
Firm Registration No.-313054E



Ranajit Majumdar  
Partner  
Membership No.- 060098  
UDIN: 20060098AAAAACW9318  
Place: Kolkata  
Date: 19 -06-2020

For and on Behalf of the Board of Directors

**Sunil Choraria**  
 Managing Director  
 DIN : 00015449

**Prakash Poddar**  
 Director  
 DIN:03369479

**Brij Bhushan Singh**  
 Chief Financial Officer

**RTM Properties Limited**  
**Notes to the Financial Statements for the Year Ended 31st March, 2020**

**1 General Information**

RTM Properties Limited is a Limited Company domiciled in India and Incorporated under the Provision of the Companies Act, 1956. The main object of the Company is renting of its investment properties. The registered office of the Company is located at 9/1 R.N.Mukherjee Road Birla Building 5th Floor Kolkata -700001, West Bengal, India.

The functional and presentation currency of the Company is Indian Rupee ("INR") which is the currency of the primary economic environment in which the Company operates.

The financial statements for the year ended 31 March 2020 were approved by the Board of Directors and authorised for issue on 19 June 2020.

**2.0 Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**2.1 Basis of preparation**

**(i) Compliance with Ind AS**

The financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') Companies (Accounting Standards) Rules, 2015 and other provisions of the Act.

The financial statements up to year ended 31 March 2019 were prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP).

These financial statements are the first financial statements of the Company under Ind AS. Refer note 32 for an explanation of how the transition from previous GAAP to Ind AS has impacted the Company's financial position, financial performance and cash flows.

**ii) Classification of current and non - current**

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when:

- a) it is expected to be settled in the normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period, or
- d) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

**iii) Historical cost convention**

The financial statements have been prepared on a historical cost basis, except for the following:  
- certain financial assets and liabilities those are measured at fair value.

**iv) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs and decimals thereof (Rs. 00,000.00) as per the requirement of Schedule III, unless otherwise stated.

**2.2 Impairment of non-financial assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.





**RTM Properties Limited**  
**Notes to the Financial Statements for the Year Ended 31st March, 2020**

**2.3 Investments and other financial assets**

**(i) Classification**

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

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

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

**(ii) Measurement**

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

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

• **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired.

• **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Other income'.

• **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within 'Other income' in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other income' in the Statement of Profit and Loss.

**(iii) Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 25 details how the Company determines whether there has been a significant increase in credit risk.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

**(iv) De-recognition of financial assets**

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.



**RTM Properties Limited**  
**Notes to the Financial Statements for the Year Ended 31st March, 2020**

**(v) Revenue Recognition**

Revenue from contracts with customer

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Interest income

Interest income from financial instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

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

**(vi) Fair value of financial instruments**

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

**2.4 Offsetting financial instruments**

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

**2.5 Cash and cash equivalents**

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

**2.6 Trade payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**2.7 Income taxes**

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

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

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.





**RTM Properties Limited**  
**Notes to the Financial Statements for the Year Ended 31st March, 2020**

**2.8 Provisions and contingencies**

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

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

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

**2.9 Property, plant and equipment**

**Transition to Ind AS:**

The Company has elected to continue with the net carrying value of all its property, plant and equipment recognized as of April 1, 2018 (transition date) as per the previous GAAP and use that carrying value as its deemed cost.

**Subsequent to transition:**

**i) Recognition and measurement:**

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).

Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.

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.

Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

**ii) Depreciation:** Land is not depreciated. Depreciation of other items of Property, Plant and Equipment are provided on a straight line basis over the estimated useful life of the asset or as prescribed in Schedule II to the Companies Act, 2013.

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

The Company assesses at each balance sheet date whether there is objective evidence that a asset or a group of assets is impaired. An asset's carrying amount is written down immediately to its recoverable amount if he asset's carrying amount is greater than its estimated recoverable amount.

**2.10 Investment Property**

**Recognition and measurement**

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in Note 4. Fair value are determined based on an annual evaluation performed by an accredited external independent valuer.

**Depreciation**

Depreciation on investment property has been charged at Straight Line method with reference to the economic useful life of its property, plant and equipment as prescribed by Schedule II of the Companies Act, 2013.

**Transition to ind AS**

The Company has elected to continue with the carrying value of all its property plant and equipment recognised as at April 01, 2018 measured as per the previous GAAP, and use that carrying value as the deemed cost of the investment property.



**RTM Properties Limited**  
**Notes to the Financial Statements for the Year Ended 31st March, 2020**

**2.11 Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

**2.12 Earnings per share**

Earnings per share is calculated by dividing the net profit or loss for the year attributable to equity share holders, by the weighted average numbers of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**2.13 Leases**

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

The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April, 2019. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of twelve months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

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

**2.13.1 Company as lessee**

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

**Right-of-use assets**

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

**Lease Liabilities**

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

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

**2.13.2 Company as lessor**

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

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

**2.14 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The managing director assesses the financial performance and position of the Company, and makes strategic decisions. The managing director has been identified as being the chief operating decision maker. Refer note 30 for segment information presented.





**RTM Properties Limited**  
**Notes to the Financial Statements for the Year Ended 31st March, 2020**

**2.15 Recent Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

**2.16 Critical estimates and judgements**

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

**The areas involving critical estimates or judgements are:**

**• Provision for income tax and deferred tax assets - notes 23**

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

**• Fair value measurements - notes 25**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.



**RTM PROPERTIES LIMITED**  
**Notes to the Financial Statements for the year ended 31 March 2020**

**Note 3: Property, plant and equipment**

(Rs. In lakhs)

Particulars	Plant & equipments	Furniture & Fixtures	Total
<b>Gross Block</b>			
<b>As at April 01, 2018</b>	<b>40.32</b>	<b>25.34</b>	<b>65.66</b>
Additions	11.98	5.22	17.20
Disposal/Deduction	-	-	-
<b>As at March 31, 2019</b>	<b>52.30</b>	<b>30.55</b>	<b>82.86</b>
Additions	13.83	5.14	18.97
Disposal/Deduction	-	-	-
<b>As at March 31, 2020</b>	<b>66.13</b>	<b>35.69</b>	<b>101.82</b>
<b>Accumulated Depreciation</b>			
<b>As at April 1, 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>
Charge for the year	5.86	4.19	10.05
Disposal/Deduction	-	-	-
<b>As at March 31, 2019</b>	<b>5.86</b>	<b>4.19</b>	<b>10.05</b>
Charge for the year	7.13	4.54	11.67
Disposal/Deduction	-	-	-
<b>As at March 31, 2020</b>	<b>12.99</b>	<b>8.73</b>	<b>21.72</b>
<b>Net Block</b>			
<b>As at April 01, 2018</b>	<b>40.32</b>	<b>25.34</b>	<b>65.66</b>
<b>As at March 31, 2019</b>	<b>46.44</b>	<b>26.36</b>	<b>72.81</b>
<b>As at March 31, 2020</b>	<b>53.14</b>	<b>26.96</b>	<b>80.10</b>





**RTM PROPERTIES LIMITED**  
Notes to the Financial Statements for the year ended 31 March 2020

**Note 4: Investment properties**

4	Particulars	Freehold land	Buildings	(Rs. In lakhs) Total
	<b>Gross Block</b>			
	As at April 01, 2018	403.29	222.70	626.00
	Additions	-	-	-
	Disposal/Deduction	-	-	-
	As at March 31, 2019	403.29	222.70	626.00
	Additions	-	-	-
	Disposal/Deduction	-	-	-
	As at March 31, 2020	403.29	222.70	626.00
	Accumulated Depreciation			
	As at April 1, 2018	-	-	-
	Charge for the year	-	6.23	6.23
	Disposal/Deduction	-	-	-
	As at March 31, 2019	-	6.23	6.23
	Charge for the year	-	6.23	6.23
	Disposal/Deduction	-	6.23	6.23
	As at March 31, 2020	-	12.46	12.46
	Net Block			
	As at April 01, 2018	403.29	222.70	626.00
	As at March 31, 2019	403.29	216.47	619.77
	As at March 31, 2020	403.29	210.24	613.54

**4.01** The Company has constructed a building in co-ownership with SIL Properties Limited on the land at Kolkata, the Company's share in the Land & Building being 50%. A part of the said building has been let out for residential purpose on Rent.

**4.02** Other disclosures :

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rental income derived from investment properties	42.00	42.00
Direct operating expenses	(9.49)	(6.41)
Depreciation	(6.23)	(6.23)
<b>Profit / (Loss) arising from investment properties</b>	<b>26.28</b>	<b>29.36</b>

**4.03** Fair value of investment properties carried at cost

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Fair value of investment properties	2,170.40	2,170.40	2,224.66



**RTM Properties Limited**  
**Notes to the Financial Statements for the year ended 31 March 2020**

**Note 5: Investments - non current**

(Rs. In lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<b>Investments in Equity Instruments at FVOCI (fully paid-up)</b>			
<b>Quoted</b>			
1,25,000 (31 March 2019 : 1,25,000, 1 April 2018 : 1,25,000) equity shares of Rs. 10 each in Chambal Fertilisers & Chemicals Limited	135.57	208.81	205.81
<b>Total (equity instruments)</b>	<b>135.57</b>	<b>208.81</b>	<b>205.81</b>
<b>Investments in mutual funds at FVTPL:</b>			
<b>Unquoted</b>			
8,798.805 (31 March 2019 : 8,798.805, 1 April 2018 : Nil) units in Axis Treasury Advantage Fund-Growth (TAGPG)	198.48	183.71	
9,740.414 (31 March 2019 : 9,740.414, 1 April 2018 : Nil) units in HDFC Liquid Fund-Regular Plan-Growth	378.28	452.29	
10,000.000 (31 March 2019 : Nil, 1 April 2018 : Nil) units in Edelweiss Mutual Fund Bharat Bond, ETF-April, 2030	104.03	-	
<b>Total (Mutual funds)</b>	<b>680.79</b>	<b>636.00</b>	<b>-</b>
<b>Total non-current investments</b>	<b>816.36</b>	<b>844.81</b>	<b>205.81</b>
Aggregate amount of quoted investments and market value thereof	135.57	208.81	205.81
Aggregate amount of unquoted investments	680.79	636.00	-





**RTM Properties Limited**  
**Notes to the Financial Statements for the year ended 31 March 2020**

**Note 6: Other financial assets - non current**

(Rs. In lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Unsecured, considered good Security deposit	0.92	0.92	0.02
	<b>0.92</b>	<b>0.92</b>	<b>0.02</b>

**Note 7: Non-current tax assets (net)**

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Income tax receivables (net)	1.48	1.25	0.09
	<b>1.48</b>	<b>1.25</b>	<b>0.09</b>

**Note 8: Cash and cash equivalents**

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<b>Balance with banks:</b>			
- On current Accounts	3.96	32.73	12.23
- Fixed deposits with maturity of less than three months from date of acquisition	52.68	30.29	-
Cash on hand	1.62	1.39	1.80
	<b>58.26</b>	<b>64.41</b>	<b>14.03</b>

**Note 9: Other financial assets - current**

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Unsecured, considered good			
Advance recoverable	-	-	2.59
Accrued interest	1.34	0.08	-
	<b>1.34</b>	<b>0.08</b>	<b>2.59</b>

**Note 10: Other current assets**

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Unsecured, considered good			
Prepaid expenses	0.13	0.12	0.12
	<b>0.13</b>	<b>0.12</b>	<b>0.12</b>



**RTM Properties Limited**  
Notes to the Financial Statements for the year ended 31 March 2020

(Rs. In lakhs)

**Note: 11 Equity share capital**

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<b>Authorised</b> 1,12,50,000 (March 31, 2019: 1,12,50,000, April 1, 2018 1,12,50,000) Equity Shares of ₹ 10 each	1,125.00	1,125.00	1,125.00
	<b>1,125.00</b>	<b>1,125.00</b>	<b>1,125.00</b>
<b>Issued shares</b> 1,09,99,045 (March 31, 2019: 1,09,99,045, April 1, 2018 84,09,045) Equity Shares of ₹ 10 each	1,099.90	1,099.90	840.90
	<b>1,099.90</b>	<b>1,099.90</b>	<b>840.90</b>
<b>Subscribed and fully paid-up shares</b> 1,09,99,045 (March 31, 2019: 1,09,99,045, April 1, 2018 84,09,045) Equity Shares of ₹ 10 each	1,099.90	1,099.90	840.90
	<b>1,099.90</b>	<b>1,099.90</b>	<b>840.90</b>

**Terms / rights attached to equity shares**

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of Liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Details of shareholders holding more than 5% shares in Company**

Name of Shareholder	31 March 2020		31 March 2019		01 April 2018	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
SIL Investments Ltd.	45,68,597	41.54%	45,68,597	41.54%	19,78,597	23.53%
RTM Investment & Trading Co. Ltd.	64,30,448	58.46%	64,30,448	58.46%	64,30,448	76.47%

**Reconciliation of number of equity shares outstanding :**

Particulars	No. of Shares	Amount
<b>Issued, Subscribed and Paid-up</b>		
Opening balance as on 01 April 2018	84,09,045	840.90
Add: Issued during the year	25,90,000	259.00
<b>Closing Balance as on 31 March 2019</b>	<b>1,09,99,045</b>	<b>1,099.90</b>
Add: Issued during the year	-	-
<b>Closing Balance as on 31 March 2020</b>	<b>1,09,99,045</b>	<b>1,099.90</b>

No shares have been allotted without payment being received in cash during the five years immediately preceding the Balance Sheet date





**RTM Properties Limited**  
**Notes to the Financial Statements for the year ended 31 March 2020**

(Rs. In lakhs)

**Note: 11 Equity share capital**

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<b>Authorised</b> 1,12,50,000 (March 31, 2019: 1,12,50,000, April 1, 2018 1,12,50,000) Equity Shares of ₹ 10 each	1,125.00	1,125.00	1,125.00
	<b>1,125.00</b>	<b>1,125.00</b>	<b>1,125.00</b>
<b>Issued shares</b> 1,09,99,045 (March 31, 2019: 1,09,99,045, April 1, 2018 84,09,045) Equity Shares of ₹ 10 each	1,099.90	1,099.90	840.90
	<b>1,099.90</b>	<b>1,099.90</b>	<b>840.90</b>
<b>Subscribed and fully paid-up shares</b> 1,09,99,045 (March 31, 2019: 1,09,99,045, April 1, 2018 84,09,045) Equity Shares of ₹ 10 each	1,099.90	1,099.90	840.90
	<b>1,099.90</b>	<b>1,099.90</b>	<b>840.90</b>

**Terms / rights attached to equity shares**

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of Liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Details of shareholders holding more than 5% shares in Company**

Name of Shareholder	31 March 2020		31 March 2019		01 April 2018	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
SIL Investments Ltd.	45,68,597	41.54%	45,68,597	41.54%	19,78,597	23.53%
RTM Investment & Trading Co. Ltd.	64,30,448	58.46%	64,30,448	58.46%	64,30,448	76.47%

**Reconciliation of number of equity shares outstanding :**

Particulars	No. of Shares	Amount
<b>Issued, Subscribed and Paid-up</b>		
Opening balance as on 01 April 2018	84,09,045	840.90
Add: Issued during the year	25,90,000	259.00
<b>Closing Balance as on 31 March 2019</b>	<b>1,09,99,045</b>	<b>1,099.90</b>
Add: Issued during the year	-	-
<b>Closing Balance as on 31 March 2020</b>	<b>1,09,99,045</b>	<b>1,099.90</b>

No shares have been allotted without payment being received in cash during the five years immediately preceding the Balance Sheet date



**RTM Properties Limited**  
**Notes to the Financial Statements for the year ended 31 March 2020**

**Note: 12 Other equity**

(Rs. In lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Reserves and surplus			
Securities Premium	492.10	492.10	-
Surplus in Statement of Profit and Loss	(131.55)	(160.47)	(167.50)
Equity instruments through other comprehensive income	91.89	165.14	162.14
	<b>452.44</b>	<b>496.77</b>	<b>(5.36)</b>

**(i) Securities Premium**

Particulars	As at 31 March 2020	As at 31 March 2019
Opening balance	492.10	-
Add : Issue of equity shares	-	492.10
<b>Closing balance</b>	<b>492.10</b>	<b>492.10</b>

**(ii) Surplus in Statement of Profit and Loss**

Particulars	As at 31 March 2020	As at 31 March 2019
Opening balance	(160.47)	(167.50)
Profit for the year	28.92	7.02
<b>Closing balance</b>	<b>(131.55)</b>	<b>(160.47)</b>

**(iii) Equity instruments through other comprehensive income**

Particulars	As at 31 March 2020	As at 31 March 2019
Opening balance	165.14	162.14
Change in fair value of FVOCI equity instruments	(73.25)	3.00
<b>Closing balance</b>	<b>91.89</b>	<b>165.14</b>





**RTM Properties Limited**  
**Notes to the Financial Statements for the year ended 31 March 2020**

**Note: 12b: Nature and purpose of other equity**

Sl. No.	Paticulars	Nature and purpose of other equity
(i)	Securities Premium	Securities Premium is used to record the premium (amount received in excess of face value of equity shares) on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
(ii)	Surplus in Statement of Profit and Loss	Surplus in Statement of Profit and Loss are the profits that a company has earned to date, less any dividends or other distributions paid to the Shareholders, net of utilisation as permitted under applicable regulations.
(iii)	Equity instruments through other comprehensive income	Reserve on account of equity instruments measured through Other Comprehensive Income



RTM Properties Limited  
Notes to the Financial Statements for the year ended 31 March 2020

**Note 13: Deferred tax liabilities**

(Rs. In lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
On fair valuation of investments	14.87	3.20	-
	14.87	3.20	-

**Note 14: Borrowings**

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Loan from ultimate holding Company - RTM Investment & Trading Co.Ltd.	-	-	75.00
	-	-	75.00

**Note 15: Trade payables**

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises.	4.78	4.15	1.41
	4.78	4.15	1.41

**Note 16: Other financial liabilities - current**

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Interest accrued and due on borrowings	-	-	2.00
Advance received from Co-owner	-	-	-
	-	-	2.00

**Note 17: Other current liabilities**

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Statutory dues payables	0.14	0.14	0.37
	0.14	0.14	0.37





**RTM Properties Limited**  
**Notes to the Financial Statements for the year ended 31 March 2020**

**Note 18: Revenue from operations**

(Rs. In lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Rental income from investment property	42.00	42.00
	<b>42.00</b>	<b>42.00</b>

**Note 19: Other income**

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Dividend income from equity instruments designated at fair value through other comprehensive income	7.50	2.38
Interest income on financial assets measured at amortised cost	4.06	0.40
Net gain on sale of investments	4.73	18.63
Net gain on financial assets mandatorily measured at fair value through profit and loss account	40.07	10.99
Provisions no longer required written back	-	0.20
	<b>56.36</b>	<b>32.60</b>

**Note 20: Finance cost**

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Interest paid on loans	-	3.27
	<b>-</b>	<b>3.27</b>

**Note 21: Depreciation and amortization**

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation of property, plant and equipment	11.67	10.05
Depreciation on investment properties	6.23	6.23
	<b>17.90</b>	<b>16.28</b>

**Note 22: Other expenses**

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Insurance		
Rates & taxes	0.21	0.21
Repairs and maintenance	1.22	1.22
Payment to auditors	9.49	6.41
As Auditors:		
Audit fee		
In other capacity for certificates & other services	0.10	0.10
Legal and professional fees	0.08	0.04
Service charges	2.68	2.26
Travelling expenses	2.71	2.71
Miscellaneous expenses	0.08	0.07
	14.91	19.47
	<b>31.48</b>	<b>32.49</b>



**RTM Properties Limited**  
Notes to the Financial Statements for the year ended 31 March 2020

**Note 23: Income tax expense**

(Rs. In lakhs)

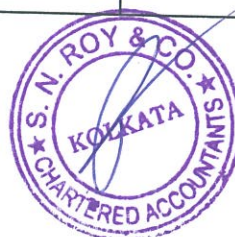
This note provides an analysis of the Company's income tax expense, shows amounts that are recognised in profit or loss or other comprehensive income and how the tax expense is affected by non-assessable and non-deductible items.

Particulars	31 March 2020	31 March 2019
<b>(a) Income tax expense</b>		
Current tax		
Current tax expense for the year	8.39	12.29
Current tax expense / (benefit) pertaining to prior years	-	0.05
<b>Total current tax expense</b>	<b>8.39</b>	<b>12.34</b>
Deferred tax		
Decrease (increase) in deferred tax assets	-	-
(Decrease) increase in deferred tax liabilities	11.67	3.20
<b>Total deferred tax expense/(benefit)</b>	<b>11.67</b>	<b>3.20</b>
<b>Income tax expense</b>	<b>20.06</b>	<b>15.54</b>

Particulars	31 March 2020	31 March 2019
Current tax expense recognised in profit or loss		
Current tax on profits for the year	8.39	12.34
<b>Total current tax expense (A)</b>	<b>8.39</b>	<b>12.34</b>
Deferred tax expense recognised in profit or loss		
Deferred taxes	11.67	3.20
<b>Total deferred tax expense recognised in profit or loss (B)</b>	<b>11.67</b>	<b>3.20</b>
Deferred tax expense recognised in other comprehensive income		
Deferred taxes	-	-
<b>Total deferred tax expense recognised in Other comprehensive income (C)</b>	<b>-</b>	<b>-</b>
<b>Total deferred tax for the year (B+C)</b>	<b>11.67</b>	<b>3.20</b>
<b>Total income tax expense recognised in profit or loss (A+B)</b>	<b>20.06</b>	<b>15.54</b>
<b>Total income tax expense recognised in Other comprehensive income (C)</b>	<b>-</b>	<b>-</b>
<b>Total income tax expense (A+B+C)</b>	<b>20.06</b>	<b>15.54</b>

**(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:**

Particulars	31 March 2020	31 March 2019
Profit before tax	48.98	22.56
<b>Tax at the rate of 25.17% (2018-19 - 26%)</b>	<b>12.33</b>	<b>5.87</b>
Items allowed as deduction in calculating income from house property	(3.09)	(3.19)
Adjustment of current tax for prior periods	-	0.05
Net expenses that are not deductible in determining taxable profit	-	9.61
Others	(0.85)	-
<b>Total income tax expense/(credit)</b>	<b>8.39</b>	<b>12.34</b>





**RTM Properties Limited**  
**Notes to the Financial Statements for the year ended 31 March 2020**

**Note : 24 Earnings per share**

(Rs. In lakhs)

Particulars	31 March 2020	31 March 2019
(a) Profit attributable to equity holders of the company used in calculating basic and diluted earnings per share	28.92	7.02
(b) Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share <b>(in numbers)</b>	1,10,89,045	1,10,89,045
(c) Nominal value of Equity Share (in Rs.)	10	10
(d) <b>Basic and diluted earnings per share (Rs.)</b>	0.26	0.06



**RTM Properties Limited**  
**Notes to the Financial Statements for the year ended 31 March 2020**

**Note : 25 Fair value measurements**

(Rs. In lakhs)

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the financial statements.

**Financial Assets and Liabilities**

The carrying value of financial instruments by categories as at 31 March 2020 is as follows:

	Fair value through Profit or Loss	Fair value through Other Comprehensive Income	Amortised cost	Total carrying value
<b>Financial Assets:</b>				
Investments				
- Equity instruments	135.57	-	-	135.57
- Mutual funds	-	680.79	-	680.79
Cash and cash equivalents	-	-	58.26	58.26
Security deposits	-	-	0.92	0.92
Other financial assets	-	-	1.34	1.34
<b>Total</b>	<b>135.57</b>	<b>680.79</b>	<b>60.52</b>	<b>876.88</b>
<b>Financial Liabilities:</b>				
Trade payables	-	-	4.78	4.78
<b>Total</b>	<b>-</b>	<b>-</b>	<b>4.78</b>	<b>4.78</b>

The carrying value of financial instruments by categories as at 31 March 2019 is as follows:

	Fair value through Profit or Loss	Fair value through Other Comprehensive Income	Amortised cost	Total carrying value
<b>Financial Assets:</b>				
Investments				
- Equity instruments	208.81	-	-	208.81
- Mutual funds	-	636.00	-	636.00
Cash and cash equivalents	-	-	64.41	64.41
Security deposits	-	-	0.92	0.92
Other financial assets	-	-	0.08	0.08
<b>Total</b>	<b>208.81</b>	<b>636.00</b>	<b>65.41</b>	<b>910.22</b>
<b>Financial Liabilities:</b>				
Trade payables	-	-	4.15	4.15
<b>Total</b>	<b>-</b>	<b>-</b>	<b>4.15</b>	<b>4.15</b>





The carrying value of financial instruments by categories as at 1 April 2018 is as follows:

	Fair value through Profit or Loss	Fair value through Other Comprehensive Income	Amortised cost	Total carrying value
<b>Financial Assets:</b>				
Investments				
- Equity instruments	205.81	-	-	205.81
Cash and cash equivalents	-	-	14.03	14.03
Security deposits	-	-	0.02	0.02
Other financial assets	-	-	2.59	2.59
<b>Total</b>	<b>205.81</b>	<b>-</b>	<b>16.64</b>	<b>222.45</b>
<b>Financial Liabilities:</b>				
Borrowings	-	-	75.00	75.00
Trade payables	-	-	1.41	1.41
Other financial liabilities	-	-	2.00	2.00
<b>Total</b>	<b>-</b>	<b>-</b>	<b>78.41</b>	<b>78.41</b>

The Company has made an irrevocable election at date of transition to recognise changes in fair value of investments in equity securities which are not held for trading through OCI rather than profit or loss as the management believes that presenting fair value gains and losses relating to these investments in the Statement of Profit and Loss may not be indicative of the performance of the Company.



**RTM Properties Limited**  
Notes to the Financial Statements for the year ended 31 March 2020

**Note : 25 Fair value measurements (Contd.)**

(Rs. in lakhs)

**(i) Fair value hierarchy**

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to level 3, as described below:

**Quoted prices in an active market (Level 1):** This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares.

**Valuation techniques with observable inputs (Level 2):** This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

**Valuation techniques with significant unobservable inputs (Level 3):** This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between level 1 and level 2 fair value measurements during the year ended 31 March 2020 and 31 March 2019.

**(a) Financial Instruments**

Particulars	31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Equity instruments	135.57	-	-	135.57
Mutual funds	-	680.79	-	680.79
	135.57	680.79	-	816.36

Particulars	31 March 2019			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Equity instruments	208.81	-	-	208.81
Mutual funds	-	636.00	-	636.00
	208.81	636.00	-	844.81

Particulars	1 April 2018			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Equity instruments	205.81	-	-	205.81
	205.81	-	-	205.81

**(ii) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- The fair value of investments in quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.
- The use of net asset value in case of mutual funds on the basis of the statement received from investee party.

**(iii) Fair value of financial assets and liabilities measured at amortised cost**

(a) Carrying amounts of cash and cash equivalents, security deposits, other financial assets, Borrowings and Other financial liabilities as on 31 March 2020, 31 March 2019 and 1 April 2018 approximate the fair value because of their short-term nature.

(b) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.





**RTM Properties Limited**  
**Notes to the Financial Statements for the year ended 31 March 2020**

(Rs. In lakhs)

**Note : 26 Capital Management**

**(a) Risk management**

The Company's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return of capital to shareholders, issue new shares or sell assets to reduce debt.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to any externally imposed capital requirements.

The amount mentioned under total equity in balance sheet is considered as Capital.

No changes were made to the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

**Note : 27 Financial Risk Management**

The Company's activities are exposed to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. price risk). This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of it in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, Trade receivable, financial assets measured at amortised cost	Ageing analysis	Credit limit and credit worthiness monitoring, credit based approval process.
Liquidity risk	Trade and other payables	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Regular monitoring of security prices

**(A) Credit risk**

The Company takes on exposure to credit risk, which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 25.

**(i) Trade and other receivables**

Customer credit risk is managed by the Company through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying up to 60 days credit terms. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. Trade receivables are consisting of a large number of customers. Where credit risk is high, receivables are requested to provide for security deposits.

The Company uses specific identification method in determining the allowances for credit losses of trade receivables considering historical credit loss experience and is adjusted for forward looking information.

**ii) Financial instruments and deposits**

Credit risk from balances with banks, deposits, etc is managed by the Company's finance department. Investments of surplus funds are made only with approved counterparties in accordance with the Company's policy. None of the Company's cash equivalents with banks, deposits, investments and other receivables were past due or impaired as at 31 March 2020, 31 March 2019 and 1 April 2018.



**RTM Properties Limited**  
**Notes to the Financial Statements for the year ended 31 March 2020**

**Note 27: Financial Risk Management (continued)**

(Rs. In lakhs)

**(B) 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 asset.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally performed in accordance with practice and limits set by the Company.

**(i) Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

<b>Contractual maturities of financial liabilities 31 March 2020</b>	<b>Less than 1 year</b>	<b>More than 1 year</b>	<b>Total</b>
Trade payables	4.78	-	4.78
<b>Total financial liabilities</b>	<b>4.78</b>	<b>-</b>	<b>4.78</b>

<b>Contractual maturities of financial liabilities 31 March 2019</b>	<b>Less than 1 year</b>	<b>More than 1 year</b>	<b>Total</b>
Trade payables	4.15	-	4.15
<b>Total financial liabilities</b>	<b>4.15</b>	<b>-</b>	<b>4.15</b>

<b>Contractual maturities of financial liabilities 1 April 2018</b>	<b>Less than 1 year</b>	<b>More than 1 year</b>	<b>Total</b>
Borrowings	75.00	-	75.00
Trade payables	1.41	-	1.41
Other financial liabilities	2.00	-	2.00
<b>Total financial liabilities</b>	<b>78.41</b>	<b>-</b>	<b>78.41</b>





**RTM Properties Limited**  
**Notes to the Financial Statements for the year ended 31 March 2020**

**Note 27: Financial Risk Management (continued)**

(Rs. In lakhs)

**(C) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: Foreign currency risk, interest rate risk and price risk

**(i) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's transactions are denominated only in INR and hence the Company is not exposed to any foreign currency risk.

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to the risk of changes in market interest rates because it does not have any floating rate borrowings nor does it have any variable rate financial assets.

Further other financial instruments invested in bonds are also at fixed rate of interest hence are not subject to interest rate fluctuations.

**(iii) Price risk**

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

The Company's exposure to securities price risk arises from investments in equity instruments held by the Company and classified in the balance sheet at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Company does regular monitoring of security prices. In general, these investments are not held for trading purposes.

**Sensitivity**

The table below summarises the impact of increase/decrease of the index on the Company's equity and profit for the period. The analysis is based on the assumption that the equity index had increased/decreased by 5% with all other variable held constant, and that all the Company's equity instruments moved in line with the index.

Particulars	Impact on other comprehensive income before tax		Equity, net of tax	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
5% Increase	6.78	10.44	6.07	9.35
5% Decrease	(6.78)	(10.44)	(6.07)	(9.35)



**RTM Properties Limited**  
**Notes to the Financial Statements for the year ended 31 March 2020**

(Rs. In lakhs)

**28 Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006**

Based on the information received by the Company from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, there are no amounts due to any suppliers covered under this Act as at the balance sheet date and hence, disclosures relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given. Auditors have relied on this.

**29 (I) Names of the Related parties and description of relationship**

A	Where control exist:	:	SIL Investments Limited - Ultimate Holding company
		:	RTM Investment & Trading Co. Limited - Holding Company
B	Other related parties with whom transactions have taken place during the year:	:	SCM Investment Limited - Fellow Subsidiary of Holding Company
		:	SIL Properties Limited - Subsidiary of fellow Subsidiary of Holding Company
C	Key Management Personnel and their relatives	:	Brij Bhushan Singh- CFO
		:	Sunil Choraria - Managing Director
		:	Prakash Poddar - Director

**(II) Transaction during the year**

Transactions	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Intercompany Loan taken</b> RTM Investment & Trading Co. Limited	-	5.00
<b>Intercompany Loan repaid back</b> RTM Investment & Trading Co. Limited	-	80.00
<b>Interest expense</b> RTM Investment & Trading Co. Limited	-	3.27

**(III) Outstanding balances**

Transactions	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>Intercompany Loan taken</b> RTM Investment & Trading Co. Limited			75.00
<b>Interest payable</b> RTM Investment & Trading Co. Limited			2.00

**30 Segment Reporting**

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the company falls within one business segment viz. "real estate activities". Hence, the disclosure requirement of Ind AS 108 of 'Segment Reporting' is not considered applicable.

**31** COVID - 19 pandemic has caused serious disruption on the global economic and business environment. There is a huge uncertainty with regard to its impact which cannot be reasonably determined at this stage. However, the Company has evaluated and considered to the extent possible the likely impact that may arise from COVID-19 pandemic as well as all event and circumstances upto the date of approval of these Financial results on the carrying value of its assets and liabilities as on 31.3.2020. Based on the current indicators of future economic conditions, the Company estimates to recover the carrying amount of these assets and adequate liquidity is available. These estimates are subject to uncertainty and may be affected by the severity and duration of the pandemic. The Company is continuously monitoring any material changes in future economic conditions.





**RTM Properties Limited**  
**Notes to the Financial Statements for the year ended 31 March 2020**

(Rs. In lakhs)

**Note : 32 First-time adoption of Ind AS**

**Transition to Ind AS**

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2, have been applied in preparing the financial statements for the year ended 31 March 2020, the comparative information presented in these financial statements for the year ended 31 March 2019 and in the preparation of an opening Ind AS Balance Sheet at 1 April 2018 (the Company's date of transition). In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

**A. Mandatory exceptions and optional exemptions availed**

Set below are the applicable Ind AS optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**A.1 Optional exemptions availed**

**A.1.1 Property, plant and equipment & Investment Property**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment and investment property at their previous GAAP carrying value.

**A.1.2 Designation of previously recognised financial instruments**

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

The Company has elected to apply this exemption for its investment in equity investments.

**A.2 Ind AS mandatory exceptions**

**A.2.1 Estimates**

Ind AS 101 prescribes that an entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

The Company's Ind AS estimates as at the transition date are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for the following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

- Investment in equity instruments carried at FVOCI;

**A.2.2 Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the fact and circumstances that exists at the date of transition to Ind AS.

Accordingly, the Company has determined classification and measurement of financial assets on the basis of the facts and circumstances that exists at the date of transition to Ind AS.

**A.2.3 Derecognition of financial assets and financial liabilities**

As set out in Ind AS 101, the Company has applied the derecognition requirements of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

**A.2.4 Impairment of financial assets**

As set out in Ind AS 101, an entity shall apply the impairment requirements of Ind AS 109 retrospectively if it does not entail any undue cost or effort. The Company has assessed impairment of financial assets in conformity with Ind AS 109.



**RTM Properties Limited**  
Notes to the Financial Statements for the year ended 31 March 2020

(Rs. In lakhs)

**B. Reconciliation between IGAAP and Ind AS:**

**B.1 Reconciliation of total equity as at 31 March 2019 and 01 April 2018:**

Particulars	Notes	31 March 2019	01 April 2018
Total equity (shareholder's funds) as per IGAAP		1,423.74	673.41
<b>Adjustments</b>			
Fair valuation of investment classified under FVOCI	1	165.14	162.13
Fair valuation of investment classified under FVTPL	1	10.99	-
Tax effect on above adjustments		(3.20)	-
<b>Total adjustments</b>		<b>172.93</b>	<b>162.13</b>
<b>Total equity as per Ind AS</b>		<b>1,596.67</b>	<b>835.54</b>

**B.2 Reconciliation of total comprehensive income for the year ended 31 March 2019**

Particulars	Notes	Year ended 31 March 2019
Profit after Tax as per previous GAAP		(0.77)
Fair valuation of investment classified under FVTPL	1	10.99
Tax effect on above adjustments		(3.20)
<b>Profit after tax as per Ind AS</b>		<b>7.02</b>
Other comprehensive income (net of tax)	2	3.00
<b>Total comprehensive income as per Ind AS</b>		<b>10.02</b>

**Notes to first time adoption of Ind AS**

**Note 1: Fair valuation of investments**

Under the previous GAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings (net of related deferred taxes) as at the date of transition and subsequently in the Statement of Profit and Loss for the year ended 31 March 2019.

Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in Equity instruments through other comprehensive income reserve (net of related deferred taxes) as at the date of transition and subsequently in the Statement of Other Comprehensive income for the year ended 31 March 2019.

**Note 2: Components of other comprehensive income (OCI)**

Under Ind AS, following items has been recognised in other comprehensive income in the Statement of Profit and Loss of the Company:

- Changes in fair value of FVOCI equity instruments

All above adjustments, are recognised in Equity instruments through other comprehensive income reserve (net of related deferred taxes) for the equity instruments respectively as at the date of transition and for the year ended 31 March 2019 and subsequently in the OCI section in the Statement of Profit and Loss for the year ended 31 March 2019.

**Impact of Ind AS adoption on the Statement of Cash Flows for the year ended 31 March 2019**

There are no material adjustments on transition to Ind AS in the Statement of Cash Flows for the year ended 31 March 2019.

**Note 33** - The figure of the previous year has been regrouped /reclassified, wherever necessary, to conform to the classification for the year ended 31 March 2020.

In terms of our attached report of even date.


**For S.N.Roy & CO.**  
Chartered Accountants  
Firm Registration No.-313054E

  
**Ranajit Majumdar**  
Partner  
Membership No.- 060098  
UDIN: 20060098AAAAACW9318  
Place: Kolkata  
Date: 19-06-2020

**For and on Behalf of the Board of Directors**

  
**Sunil Choraria**  
Managing Director  
DIN : 00015449

  
**Prakash Poddar**  
Director  
DIN:03369479

  
**Brij Bhushan Singh**  
Chief Financial Officer

