INDEPENDENT AUDITOR'S REPORT

To
The Members of
REXNORD ENTERPRISE PRIVATE LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Rexnord Enterprise Private Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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

Basis for Opinion

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

Information other than the Financial Statements and Auditor's Report thereon

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Financial Statements

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

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

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

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

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

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

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

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

Report on other Legal and Regulatory Requirements

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 Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 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 other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) on the basis of written representations received from the directors as on 31 March 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

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 our 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 derivatives 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; and

   (iv) The disclosures requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

3. With respect to the matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provided for any remuneration to its directors during the year.

For **Rakesh Soni & Co.**
Chartered Accountants
(Firm Registration No. 114625W)

R.K. Soni
Partner
Membership No. 047151
UDIN: 20047151AAAABB6575

Place: Mumbai
Dated: July 30, 2020

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT – 31st MARCH 2020

Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

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

(i) (a) the Company has maintained records, showing full particulars including quantitative details and situation of its fixed assets;

(b) as explained to us, all the fixed assets have been physically verified by the management during the year. We were informed that no material discrepancy have been noticed by the management on such verification as compared to the aforesaid records of fixed assets; and

(c) According to the information and explanations given to us, in our opinion, the title deeds of immoveable properties are held in the name of the Company.

(ii) The Company does not hold any inventory. Accordingly, provisions of paragraph 3(ii) of the Order are not applicable to the Company.

(iii) The Company has, during the year, not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly the provisions of paragraph 3 (iii) of the Order are not applicable to the Company.

(iv) The Company has, during the year, not granted any loans and given any guarantee or provided any security in connection with a loan covered under the sections 185 and 186 of the Act. Accordingly the provisions of paragraph 3 (iv) of the Order are not applicable to the Company.

(v) The Company has not accepted any deposit from public during the year in accordance with the provisions of sections 73 to 76 of the Act and rules framed there under.

(vi) The Central Government has not prescribed the maintenance of cost records under sub section 1 of Section 148 of the Act for the year under audit.

(vii) (a) on the basis of books and records examined by us, amount deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees state insurance, income-tax, goods and services tax, duty of customs, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. There are no arrears of undisputed statutory dues as at the last day of financial year concerned, outstanding for a period of more than six months from the date they became payable.

(b) on the basis of books and records examined by us, there are no dues of income tax, goods and services tax and duty of customs which have not been deposited with appropriate authorities on account of any dispute.

(viii) There are no dues payable to the financial institutions, banks, debenture holders and Government. Accordingly the provisions of paragraph 3 (viii) of the Order are not applicable to the Company.

(ix) As per the records of the Company, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. In respect of unsecured loans from Holding Company obtained during the year, we are of the opinion that the unsecured loans were applied for the purpose for which they were obtained.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) As per information & explanations given to us and on the basis of our examination of the records of the Company, no managerial remuneration has been paid during the year under consideration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, provisions of paragraph 3(xii) of the Order are not applicable to the Company.

(xiii) According to the information and explanations given to us, transactions with the related parties are in compliance with Section 177 and Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, provisions of paragraph 3(xiv) of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions of paragraph 3(xv) of the Order are not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Rakesh Soni & Co**.
Chartered Accountants
(Firm Registration No. 114625W)

R. K. Soni
Partner
Membership No. 047151
UDIN: 20047151AAAABB6575

Place: Mumbai
Dated: July 30, 2020

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT – 31st MARCH 2020

Referred to in paragraph 2(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

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

We have audited the internal financial controls over financial reporting of **Rexnord Enterprise Private Limited** ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **Rakesh Soni & Co**.
Chartered Accountants
(Firm Registration No. 114625W)

R. K. Soni
Partner
Membership No. 047151
UDIN: 20047151AAAABB6575

Place: Mumbai
Dated: July 30, 2020

REXNORD ENTERPRISE PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH 2020

(Amount in ₹ Lakhs)

Particulars	Note No.		As at 31.03.2020		As at 31.03.2019
ASSETS					
Non-current assets					
Property, plant and equipment	3		**122.75**		84.41
Deferred tax assets (net)	4		**0.00**		0.00
Current assets					
Biological assets	5		**0.00**		0.00
Financial assets					
Cash and cash equivalents	6		**15.67**		9.52
Other current assets	7		**3.06**		0.00
TOTAL			**141.48**		93.93
EQUITY AND LIABILITIES					
Equity					
Equity share capital	8	**200.00**		10.00	
Other equity	9	**(60.61)**		(4.76)	
			139.39		5.24
Non-current liabilities					
Financial liabilities					
Borrowings	10		**0.00**		85.00
Current liabililties					
Financial liabilities					
Trade payables	11		**1.12**		0.00
Other financial liabilities	12		**0.59**		3.29
Other current liabilities	13		**0.38**		0.40
TOTAL			**141.48**		93.93
Contingent liabilities and commitments (To the extent not provided for)	20				
Significant accounting policies	2				
The accompanying notes form part of the financial statements	1-30				

As per our attached report of even date
For Rakesh Soni & Co.
Chartered Accountants
(Firm Registration No. 114625W)

R. K. Soni
Partner
Membership No. 047151

Place : Mumbai
Dated : July 30, 2020

For and on behalf of the Board of Directors of
Rexnord Enterprise Private Limited
CIN: U01110MH2018PTC304913

Kishore Chand Talwar
Director
DIN 00351751

Nainy K. Tanna
Director
DIN 00351762

Place : Mumbai
Dated : July 30, 2020

REXNORD ENTERPRISE PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020

(Amount in ₹) Lakhs

Particulars	Note No.	For the year ended 31st March 2020		For the year ended 31st March 2019	
Revenue from operations	14		0.67		0.00
Other income	15		0.01		0.00
Total Revenue			0.68		0.00
Expenses:					
Cost of materials consumed	16	0.50		0.00	
Employee benefits expense	17	3.22		0.00	
Finance costs	18	12.67		3.34	
Depreciation and amortisation expense	3	1.62		0.11	
Other expenses	19	38.52		0.65	
Total expenses			56.53		4.10
Profit/(loss) before exceptional items and tax			(55.85)		(4.10)
Exceptional items			0.00		0.00
Profit/(loss) before tax			(55.85)		(4.10)
Tax expense:					
Current tax			0.00		0.00
Deferred tax			0.00		0.00
			0.00		0.00
Profit/(loss) for the period (A)			(55.85)		(4.10)
Other Comprehensive Income					
Items that will not be reclassified subsequently to profit or loss			0.00		0.00
Items that will be reclassified subsequently to profit or loss			0.00		0.00
Other Comprehensive Income for the period (B)			0.00		0.00
Total Comprehensive Income for the period (A+B)			(55.85)		(4.10)
Earning per equity share	22				
Basic			(34.37)		(4.10)
Diluted			(34.37)		(4.10)
Significant accounting policies	2				
The accompanying notes form part of the financial statements	1-30				

As per our attached report of even date
For Rakesh Soni & Co.
Chartered Accountants
(Firm Registration No. 114625W)

For and on behalf of the Board of Directors of
Rexnord Enterprise Private Limited
CIN: U01110MH2018PTC304913

R. K. Soni
Partner
Membership No. 047151

Place : Mumbai
Dated : July 30, 2020

Kishore Chand Talwar
Director
DIN 00351751

Nainy K. Tanna
Director
DIN 00351762

Place : Mumbai
Dated : July 30, 2020

REXNORD ENTERPRISE PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020

A. Equity Share Capital

(Amount in ₹ Lakhs)

Particulars	Value
Balance as at April 1, 2018	10.00
Changes during the year	0.00
Balance at the end of the reporting period i.e. 31st March, 2019	10.00
Balance as at April 1, 2019	10.00
Changes during the year	190.00
Balance at the end of the reporting period i.e. 31st March, 2020	200.00

B. Other Equity

(Amount in ₹ Lakhs)

Particulars	Retained Earnings	Total
Balance at the beginning of the reporting period i.e. 1st April, 2018	(0.66)	(0.66)
Profit for the year	(4.10)	(4.10)
Balance at the end of the reporting period i.e. 31st March, 2019	(4.76)	(4.76)
Balance at the beginning of the reporting period i.e. 1st April, 2019	(4.76)	(4.76)
Profit for the year	(55.85)	(55.85)
Balance at the end of the reporting period i.e. 31st March, 2020	(60.61)	(60.61)

As per our attached report of even date
For Rakesh Soni & Co.
Chartered Accountants
(Firm Registration No. 114625W)

R. K. Soni
Partner
Membership No. 047151

Place : Mumbai
Dated : July 30, 2020

For and on behalf of the Board of Directors of
Rexnord Enterprise Private Limited
CIN: U01110MH2018PTC304913

Kishore Chand Talwar
Director
DIN 00351751

Nainy K. Tanna
Director
DIN 00351762

Place : Mumbai
Dated : July 30, 2020

REXNORD ENTERPRISE PRIVATE LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2020

Amount in ₹ Lakhs)

Particulars	For the year ended 31.03.2020		For the year ended 31.03.2019	
A) CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before exceptional items and tax	(55.85)		(4.10)	
Adjustments for				
Depreciation and amortization	1.62		0.11	
Interest income	0.00		0.00	
Dividend income	0.00		0.00	
Interest and other borrowing costs	12.67		3.34	
Operating profit before working capital changes	(41.56)		(0.65)	
Adjustments for :				
Trade receivables	0.00		0.00	
Other receivables	(3.06)		0.00	
Trade payables	1.12		(0.36)	
Other payables	0.27		0.40	
Cash generated from operations	(43.23)		(0.61)	
Direct taxes paid	0.00		0.00	
Cash flow before extraordinary items	(43.23)		(0.61)	
Extraordinary items	0.00		0.00	
NET CASH FROM/(USED IN) OPERATING ACTIVITIES		(43.23)		(0.61)
B) CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of tangible assets	0.00		0.00	
Purchase of tangible assets	(39.96)		(84.52)	
Interest income	0.00		0.00	
Dividend income	0.00		0.00	
NET CASH FROM/(USED IN) INVESTING ACTIVITIES		(39.96)		(84.52)
C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of share capital	190.00		0.00	
Proceeds from long term borrowings	90.00		85.00	
Repayment of long term borrowings	(175.00)		0.00	
Interest and other borrowing costs	(15.66)		(0.35)	
NET CASH FROM/ (USED IN) FINANCING ACTIVITIES		89.34		84.65
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		6.15		(0.48)
OPENING BALANCE OF CASH AND CASH EQUIVALENTS		9.52		10.00
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS		15.67		9.52

Notes :

1. The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard 7 on "Statement of Cash Flow" notified u/s 133 of Companies Act, 2013 ("Act") read with relevant rules issued thereunder and the relevant provisions of the Act.

2. Change in liability arising from financing activities

Particulars	Non-current borrowing
Balance as at 1st April 2018	**0.00**
Net cash flows	85.00
Balance as at 31st March 2019	**85.00**
Balance as at 1st April 2019	**85.00**
Net cash flows	(85.00)
Balance as at 31st March 2020	**0.00**

3. Refer Note no. 6 for details of cash and cash equivalents.
4. All figures in brackets reflects cash outflow.

As per our attached report of even date
For Rakesh Soni & Co.
Chartered Accountants
(Firm Registration No. 114625W)

For and on behalf of the Board of Directors of
Rexnord Enterprise Private Limited
CIN: U01110MH2018PTC304913

R. K. Soni
Partner
Membership No. 047151

Kishore Chand Talwar
Director
DIN 00351751

Nainy K. Tanna
Director
DIN 00351762

Place : Mumbai
Dated : July 30, 2020

Place : Mumbai
Dated : July 30, 2020

Note 1: CORPORATE INFORMATION

Rexnord Enterprises Private Limited ("the Company") is a private limited company domiciled in India with its registered office located at 92-D, Government Industrial Estate, Sahyadrinagar Charkop, Kandivali (West), Mumbai-400067. The Company incorporated on 8th February 2018 with the objectives of the carrying on the business as dealer in various goods such as dry fruit, foodstuffs, gift team, fans & motors etc. and also to purchase, sell, hold land (including agriculture land), properties for irrigation, cultivation and development.

Rexnord Electronics and Controls Limited owns 100% of the Company's equity share capital as at March 31, 2020.

Note 2: SIGNIFICANT ACCOUNTING POLICIES

2.1) BASIS OF PREPARATION

A) Statement of Compliance

a) These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

b) The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

c) The financial statements of the Company for the year ended 31st March, 2020 were approved for issue in accordance with the resolution of the Board of Directors on 30th July, 2020.

B) Basis of Measurement

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments); and
- biological assets – measured at fair value less cost to sell

C) Functional and Presentation Currency

These financial statements are presented in Indian Rupees, the functional currency of the Company. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

D) Use of Estimates

a) The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities prospectively.

b) Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes

i. Recognition of deferred tax assets - Note 4.

ii. Measurement of Biological assets - Note 2.17 and 23.

E) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for, both financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

Further information about the assumptions made in measuring fair values is included in the note 25 – financial instruments.

2.2) REVENUE RECOGNITION

The Company derives revenues from sale of agriculture produce.

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the retrospective effect method. The adoption of the new standard did not have a material impact on the Company.

Sale of goods

Revenue from sale of products is recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied. Sale of products include related ancillary services, if any.

2.3) EMPLOYEE BENEFITS

a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Short-term benefits such as salaries, wages, bonus, ex gratia, short-term compensation absences, etc., are determined on an undiscounted basis and recognized in the period in which the employee renders the related service.

b) Post-employment benefits

Defined contribution plans

Obligations for contributions to defined contribution plans such as Provident Fund maintained with Regional Provident Fund Office is expensed as the related service is provided.

Defined benefit plans

The following post – employment benefit plans are covered under the defined benefit plans:

- Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

c) Other long-term employee benefits

Compensated absences

The Company does not have any leave encashment policy. Further any unutilised leave at the end of the year is lapsed and not eligible for carry forward.

2.4) FOREIGN CURRENCY TRANSACTIONS AND TRANSCLATION

Transactions in foreign currencies are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items (assets and liabilities) are restated using the exchange rate prevailing at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to finance costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

2.5) ACCOUNTING FOR TAXES ON INCOME

Income tax expense for the period comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

MAT credit entitlement is recognized and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

2.6) PROPERTY, PLANT & EQUIPMENT

Property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of profit and loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of profit and loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

2.7) INTANGIBLE ASSETS

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.8) RESEARCH AND DEVELOPMENT EXPENDITURE

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

2.9) DEPRECIATION

Depreciation on Property, Plant & Equipment is provided on straight line method at the rates and in the manner specified in Schedule II to the Companies Act, 2013. In the case of revalued assets, depreciation is calculated on straight line method on the revalued amounts as determined by the valuer.

Depreciation on Property, Plant & Equipment added/disposed off/discarded during the period has been provided on the pro-rata basis with reference to the date of addition/disposal/discarding.

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

2.10) AMORTIZATION

Intangible assets (Application Software) acquired by the Company are amortised on a straight line basis over its useful life i.e. three years, as decided by the management.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

2.11) BORROWING COSTS

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

2.12) LEASES

Policy applicable before 1st April 2019

Where the Company has substantially acquired all risks and rewards of ownership of the assets, leases are classified as financial lease. Such assets are capitalized at the inception of the lease, at the lower of the fair value or present value of minimum lease payment and liability is created for equivalent amount. Each lease payment is allocated between liability and finance cost so as to obtain constant periodic rate of interest on the outstanding liability for each period. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Assets acquired/given under leases other than finance leases are classified as operating leases. Operating lease payments/receivable are recognised as an expense/income in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight line basis over the lease term.

Policy applicable after 1st April 2019

As a lessee:

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

At the commencement date of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

At commencement date, lease liability is measured at the present value of the lease payments to be paid during non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

As a lessor:

Leases for which the Company is a lessor is classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease.
All other leases are classified as operating leases.

Income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Standalone Balance Sheet based on their nature. Leases of property, plant and equipment where the Company as a lessor has substantially transferred all the risks and rewards are classified as finance lease. Finance leases are capitalised at the inception of the lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated between the asset and interest income. The interest income is recognised in the Standalone Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

2.13) PROVISION, CONTINGENT LIABILITIES & CONTINGENT ASSETS

Provisions are recognized when the Company has a present obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arise from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability. The company does not recognize a contingent liability but discloses its existence in the financial statement.

Contingent assets are neither recognized nor disclosed in the financial statements.

2.14) IMPAIRMENT OF NON-FINANCIAL ASSETS

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash generating units ("CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

2.15) EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period and for all years presented is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

2.16) INVENTORIES

Inventories are valued at lower of cost and estimated net realisable value. Obsolete, defective and unserviceable stocks are provided for. Materials-in-process are valued at raw material cost and estimated cost of conversion. Cost of finished goods includes conversion and other costs incurred in bringing the inventories to their present location and condition

Cost of Inventories is computed on FIFO basis. Goods in transit, if any, are stated at actual cost incurred upto the date of balance sheet.

2.17) BIOLOGICAL ASSETS

Biological assets are measured at fair value less costs to sell, with any change therein recognized in the Statement of Profit and Loss.

2.18) FINANCIAL INSTRUMENTS

I. FINANCIAL ASSETS

A) Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset. Trade receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

B) Classification and subsequent measurement

a) **Amortised cost:** A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) **Fair value through other comprehensive income (FVTOCI):** A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) **Fair value through profit and loss (FVTPL)**: A financial asset which is not classified in any of the above categories is measured at FVTPL.

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

C) Cash and bank balances

(i) Cash and cash equivalents which includes cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of three months or less from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

(ii) Other bank balances which includes balances and deposits with banks that are restricted for withdrawal and usage.

D) Impairment of Financial Asset

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

E) Income recognition

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the right to receive payment has been established.

II. FINANCIAL LIABILITIES

A) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified as either held at a) fair value through profit or loss, or b) at amortised cost. Management determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

B) Classification and subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

III. DERECOGNITION OF FINANCIAL INSTRUMENTS

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

IV. OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial assets and liabilites are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.19) SEGMENT REPORTING

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

REXNORD ENTERPRISE PRIVATE LIMITED
Notes to the financial statements as at 31st March 2020

Note 3: Property, plant and equipment (Amount in ₹ Lakhs)

PARTICULARS	GROSS BLOCK (At Cost)				DEPRECIATION / AMORTISATION					NET BLOCK
	As at 01.04.2019	Additions during the year	Sold/discarded during the year	Total as at 31.03.2020	Provided upto 31.03.2019	Dep adjusted against the reserves	Provided for the Year	Written back during the year	Total upto 31.03.2020	Total as at 31.03.2020
Property, plant & equipment										
Land – Freehold	74.14	17.23	0.00	**91.37**	0.00	0.00	0.00	0.00	**0.00**	**91.37**
Building*	0.00	17.40	0.00	**17.40**	0.00	0.00	0.62	0.00	**0.62**	**16.78**
Plant & Machineries	10.38	4.61	0.00	**14.99**	0.11	0.00	0.89	0.00	**1.00**	**13.99**
Equipments	0.00	0.12	0.00	**0.12**	0.00	0.00	0.00	0.00	**0.00**	**0.12**
Computers	0.00	0.60	0.00	**0.60**	0.00	0.00	0.11	0.00	**0.11**	**0.49**
Total as at 31.03.2020	**84.52**	**39.96**	**0.00**	**124.48**	**0.11**	**0.00**	**1.62**	**0.00**	**1.73**	**122.75**

*includes borewell, elctric boardroom, staff quarters and water tank

PARTICULARS	GROSS BLOCK (At Cost)				DEPRECIATION / AMORTISATION					NET BLOCK
	As at 01.04.2018	Additions during the year	Sold/discarded during the year	Total as at 31.03.2019	Provided upto 31.03.2018	Dep adjusted against the reserves	Provided for the Year	Written back during the year	Total upto 31.03.2019	Total as at 31.03.2019
Property, plant & equipment										
Land – Freehold	0.00	74.14	0.00	74.14	0.00	0.00	0.00	0.00	0.00	74.14
Plant & Machineries	0.00	10.38	0.00	10.38	0.00	0.00	0.11	0.00	0.11	10.27
Total as at 31.03.2019	0.00	84.52	0.00	84.52	0.00	0.00	0.11	0.00	0.11	84.41

REXNORD ENTERPRISE PRIVATE LIMITED
Notes to the financial statements as at 31st March 2020

(Amount in ₹ Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019

Note 4 : Deferred tax assets (net)

Deferred tax assets:		
Business loss/unabsorbed depericiation carry forward	15.54	1.04
Future allowable expenses	0.04	0.06
Deferred tax liabilities:		
Depreciation	0.81	0.00
Total	14.77	1.10
Net deffered tax assets recognised*	0.00	0.00

*The company has recognized the deferred tax assets on account of unabsorbed losses to extent of deffered tax liabilities in view of uncertainty of generating the taxable income in near future to absorb the unabsorbed losses.

Note 5 : Biological assets (Refer note no.23)

Groundnut crop	0.00	0.00
	0.00	0.00

Note 6 : Cash and cash equivalents

Cash in hand	0.81	0.14
Balances with banks In current accounts	14.86	9.38
Total	15.67	9.52

Note 7 : Other current assets

Advances to suppliers	3.00	0.00
Prepaid expenses	0.06	0.00
Total	3.06	0.00

Note 8 : Equity share capital

Particulars	Numbers	Amount(₹ in Lakhs)	Numbers	Amount(₹ in Lakhs)
Authorised				
Equity shares of ₹ 10/- each	3000000	300.00	100000	10.00
Total		300.00		10.00
Issued, subscribed and paid-up				
Equity shares of ₹ 10/- each fully paid up	2000000	200.00	100000	10.00
Total		200.00		10.00

8.a Reconciliation of number of equity shares outstanding at the beginning and at the end of the period :

Particulars	Numbers	Amount(₹ in Lakhs)	Numbers	Amount(₹ in Lakhs)
At the beginning of the year	100000	10.00	100000	10.00
Add : Issued during the year	1900000	190.00	0	0.00
At the end of the year	2000000	200.00	100000	10.00

8.b The company has issued only one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of preferential amounts, in proportion of their shareholding.

8.c Equity shares held by holding company

Name of shareholders	Numbers	% of Holding	Numbers	% of Holding
Equity shares of Rs 10 each, fully paid-up, held by Rexnord Electronics and Controls Limited (including nominee shareholders)	2000000	100%	100000	100%

8.d Shareholders holding more than 5% of share capital at the end of the period :

Name of shareholders	Numbers	% of Holding	Numbers	% of Holding
Rexnord Electronics and Controls Limited	2000000	100%	100000	100%

Note 9 : Other equity

Retained Earnings				
Balance at the beginning of the period	**(4.76)**		(0.66)	
Add : Profit (loss) after tax for the period	**(55.85)**		(4.10)	
Balance at the end of the period		**(60.61)**		(4.76)
Total		(60.61)		(4.76)

Note 10 : Non-current borrowings

Unsecured loans:		
Loan from holding company (Refer note no.27)*	0.00	85.00
Total	0.00	85.00

*Loan from holding company carried an interest at rate 11% P.A. till 30th June 2019 and thereafter at rate of 10% P.A. and the same was payable on and after 31.03.2023 however which was pre-paid.

Note 11 : Trade payables

Micro and small enterprises (Refer note no.28)	**0.00**	0.00
Others	**1.12**	0.00
Total	1.12	0.00

Note 12 : Other current financial liabilities

Accrued expenses	**0.59**	0.30
Interest payable to holding company (Refer note no.27)	**0.00**	2.99
Total	0.59	3.29

Note 13 : Other Current liabilities

Statutory Dues	**0.38**	0.40
Total	0.38	0.40

REXNORD ENTERPRISE PRIVATE LIMITED

Notes to the financial statements as at 31st March 2020

(Amount in ₹ Lakhs)

Particulars		For the year ended 31.03.2020	For the year ended 31.03.2019
Note 14 : Revenue from operations			
Sale of goods*		0.67	0.00
		0.67	0.00
*Sale of products (Categories wise)			
Agricultural Produce - Raw Groundnuts		0.67	0.00
Note 15 : Other income			
Sundry balances written back/off (net)		0.01	0.00
		0.01	0.00
Note 16 : Cost of materials consumed*			
Opening stock		0.00	0.00
Add : Cost of purchases		0.50	0.00
Less: Closing stock		0.00	0.00
		0.50	0.00
*Cost of materials consumed			
Groundnut crop		0.50	0.00
Note 17 : Employee benefits expense			
Salaries and wages		2.00	0.00
Staff welfare expenses		1.22	0.00
		3.22	0.00
Note 18 : Finance Costs			
Interest expense on:			
Borrowings		12.66	3.33
Others		0.00	0.01
Other Borrowing Costs		0.01	0.00
		12.67	3.34
Note 19 : Other expenses			
Repairs and maintenance			
buildings and other facilities	0.20		
machineries	0.05	0.25	0.00
Auditors' remuneration (Refer note no. 21)		0.25	0.25
Professional charges		1.48	0.34
Filing & Registration Fees		3.82	0.06
General Expenses		0.90	0.00
Product development and research expenses		29.19	0.00
Travelling and conveyance		1.84	0.00
Miscellaneous expenses		0.79	0.00
Total		38.52	0.65

Note 20 : Contingent liabilities and commitments (to the extent not provided for)

(Amount in ₹ Lakhs)

	31.03.2020	31.03.2019
(i) Contingent liabilities:	0.00	0.00
(ii) Contingent commitments	0.00	0.00

Note 21 : Auditors' remuneration

(Amount in ₹ Lakhs)

	For the year ended 31.03.2020	For the year ended 31.03.2019
Statutory audit fees	0.25	0.25
	0.25	0.25

Note 22 : Earning per equity share

Net profit / (loss) after tax	Lakhs	(55.85)	(4.10)
Weighted average number of shares used in computing basic earnings per share	Lakhs	1.62	1.00
Basic earnings per share	₹	(34.37)	(4.10)
Diluted earnings per share	₹	(34.37)	(4.10)

Note 23 : Biological assets other than bearer plants

A. Reconciliation of carrying amount

Particulars	March 31, 2020 Groundnut crop	March 31, 2019 -
Opening	0.00	0.00
Add:		
Purchases	0.00	0.00
Production/ Cost of Development	0.50	0.00
Less:		
Sales / Disposals	0.50	0.00
Change in fair value less cost to sell:	0.00	0.00
Realised	0.00	0.00
Unrealised	0.00	0.00
Closing	0.00	0.00

B. Measuement of Fair value

i Fair Value hierarchy

The fair value measurements for Groundnut crop has been categorised as Level 3 fair values based on the inputs to valuation technique used.

ii Level 3 Fair values

The following table shows a break down of the total gains (losses) recognised in respect of Level 3 fair values-

Particulars	March 31, 2020 Groundnut crop	March 31, 2019
Gain/(loss) included in 'other operating revenue	0.00	0.00
Change in fair value (realised)	0.00	0.00
Change in fair value (unrealised)	0.00	0.00

iii Valuation techniques and significant unobservable inputs

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Groundnut crop - it comprises the stock under crop cultivation	Cost approach and percentage completion method	N.A.	The estimated fair valuation would increase/(decrease) if - Estimated cost to complete was lower (higher)

C. Risk Management strategies related to agricultural activities

The Company is exposed to the following risks relating to its plantations and crop.

i Regulatory and enviromental risks

The Company is subject to laws and regulations in the country in which it operates. It has established environmental policies and procedures aimed at compliance with the local enviromental and other laws.

ii Supply and demand risks

The Company is exposed to risks arising from fluctuations in the price and sales volume of agriculture produce from crop. Management performs regular industry trend analyses for projected crop volumes and pricing.

iii Climate and other risks

The Company's groundnut crop is exposed to the risk of damage from climatic changes, diseases, pests and other natural forces.
The Company has extensive processes in place aimed at monitoring and mitigating those risks, including regular crop health surveys and industry pest and disease surveys.

A reasonably possible change of 10% in Estimated cost of completing the stock under cultivation/crop at the reporting date would have increased (decreased) profit or loss by the amounts shown below.

	Profit or (loss) for the year ended March 31,2020		Profit or (loss) for the year ended March 31,2019	
	10% increase	10% decrease	10% increase	10% decrease
Variable cost (Groundnut crop)	0.00	0.00	-	-
Cash flow sensitivity (net)	0.00	0.00	-	-

Note 24 : Capital Management

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company consist equity and borrowing .The management and the Board of Directors monitors the return on capital to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

(Amount in ₹ Lakhs)

	31.03.2020	31.03.2019
Equity share capital	200.00	10.00
Other equity	(60.61)	(4.76)
Total Equity (A)	139.39	5.24
Long term borrowings	0.00	85.00
Gross Debt (B)	0.00	85.00
Total Capital (A+B)	139.39	90.24
Gross Debt as above	0.00	85.00
Less: Cash and cash equivalents	15.67	9.52
Net Debt (C)	(15.67)	75.48
Net debt to equity	(0.11)	14.40

Note 25 : Financial Instruments and Risk Review

A) Financial Instruments
Fair value measurement hierarchy

The fair value of financial instruments as below have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows

Level 1: Quoted prices (unadjusted) in active markets: This level of hierarchy includes financial assets or liabilities that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Valuation techniques with observable inputs: 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).

Level 3: Valuation techniques with significant unobservable inputs: 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 following tables presents the carrying value and Fair value measurement hierarchy of each category of financial assets and liabilities

(Amount in ₹ Lakhs)

31.03.2020

	Carrying Amount	Level 1	Level 2	Level 3
Financial Assets				
Financial assets measured at amortised cost				
Cash and cash equivalents	15.67	0.00	0.00	0.00
	15.67	0.00	0.00	0.00
Financial Liabilities				
Financial liabilities measured at amortised cost				
Borrowings	0.00	0.00	0.00	0.00
Trade payables	1.12	0.00	0.00	0.00
Other financial liabilities	0.59	0.00	0.00	0.00
	1.71	0.00	0.00	0.00

31.03.2019

	Carrying Amount	Level 1	Level 2	Level 3
Financial Assets				
Financial assets measured at amortised cost				
Cash and cash equivalents	9.52	0.00	0.00	0.00
	9.52	0.00	0.00	0.00
Financial Liabilities				
Financial liabilities measured at amortised cost				
Borrowings	85.00	0.00	0.00	0.00
Trade payables	0.00	0.00	0.00	0.00
Other financial liabilities	3.29	0.00	0.00	0.00
	88.29	0.00	0.00	0.00

Valuation

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent.

Financial assets and liabilities measured at fair value as at Balance Sheet date:

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(ii) 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.

B) Financial Risk Management Framework

The Company has exposed to a variety of financial risks, namely liquidity risk and credit risk. The Company's management and the Board of Directors has the overall responsibility for establishing and governing the Company's risk management framework and are responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly.

Note 25 : Financial Instruments and Risk Review (Continued)

(i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Financial instruments that are subject to credit risk principally consist of cash and cash equivalents. None of the financial instruments of the Company result in material credit risk.

The cash and cash equivalents are held with the bank who has been assigned high credit rating by rating agencies and hence the credit risk with respect to it is very low.

The Company's maximum exposure to credit risk as at 31st March, 2020 and 31st March, 2019 is the carrying value of each class of financial assets.

(ii) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The following table shows a maturity analysis of the anticipated cash flows for the Company's financial liabilities

(Amount in ₹ Lakhs)

			31.03.2020
Particulars	Carring Value	0-1 years	above 1 years
Borrowings	0.00	0.00	0.00
Trade payables	1.12	1.12	0.00
Other financial liabilities	0.59	0.59	0.00
	1.71	1.71	0.00

			31.03.2019
Particulars	Carring Value	0-1 years	above 1 years
Borrowings	85.00	0.00	85.00
Trade payables	0.00	0.00	0.00
Other financial liabilities	3.29	3.29	0.00
	88.29	3.29	85.00

Note 26 : Segment reporting

The Company is engaged in the business of agriculture activities. The company's financial statements are consolidated with the financial statements of its parent M/s Rexnord Electronics and Controls Limited. In terms of para 4 of Ind AS 108 "Segment Reporting " no disclosures related to segments are required in Standalone financial statements.

Note 27 : Related Party Disclosures:

i) Names of related parties and description of relationships

a) Enterprises exercising control

Rexnord Electronics and Controls Limited

ii) Transactions during the year and balances outstanding as at period end with the related parties are as follows:

(Amount in ₹ Lakhs)

Particulars	**Volume of transcation**		**Balance as at**	
	From 1st April 2019 to 31st March 2020	From 1st April 2018 to 31st March 2019	31.03.2020	31.03.2019
Interest Expenses				
Rexnord Electronics and Controls Limited	12.66	3.33	0.00	(2.99)
Issue of share capital				
Rexnord Electronics and Controls Limited	190.00	0.00	200.00	10.00
Loan taken/(repaid) from/to holding company				
Rexnord Electronics and Controls Limited	90.00 (175.00)	85.00 0.00	0.00	(85.00)

Note: Related party relationship is identified by the Company and relied upon by the auditors.

Note 28 : Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

On the basis of information and records available with the company, there are no micro and small enterprises, which have registered with the competent authority under the Micro, Small and Medium Enterprises Development Act, 2006.

Note 29 : Employee Benefits Expense

The disclosures required under Indian Accounting Standard 19 "Employee Benefits" are given below:

(a) Defined contribution plan

Provisions of Employees Provident Funds and Miscellaneous Provisions Act, 1952 are not applicable to the company as the company does not have the requisite number of employees for applicability of the said Act.

(b) Defined benefit plan:

Gratuity :

The company provides for gratuity for employees as per the payment of Gratuity Act, 1972. The provisions of the said Act are not applicable to the company as the company does not have the requisite number of employees for applicability of the said Act.

Note 30 : Previous period figures have been regrouped, rearranged and recasted to make them comparable with the curent year figures

As per our attached report of even date
For Rakesh Soni & Co.
Chartered Accountants
(Firm Registration No. 114625W)

R. K. Soni
Partner
Membership No. 047151

Place : Mumbai
Dated : July 30, 2020

For and on behalf of the Board of Directors of
Rexnord Enterprise Private Limited
CIN: U01110MH2018PTC304913

Kishore Chand Talwar
Director
DIN 00351751

Nainy K. Tanna
Director
DIN 00351762

Place : Mumbai
Dated : July 30, 2020