

The logo for RADO TYRES LIMITED. The word "RADO" is in a bold, italicized, black sans-serif font, enclosed within a thick black horizontal bar. To the right of this bar, the words "TYRES LIMITED" are written in a black, all-caps, sans-serif font.

RADO TYRES LIMITED

The text "ANNUAL REPORT" is centered in a grey, all-caps, sans-serif font. A thin vertical grey line is positioned to the right of the text, separating it from the year range.

ANNUAL
REPORT

The text "2019-20" is displayed in a large, bold, green, all-caps, sans-serif font, positioned to the right of the vertical line.

2019-20



RADO *TYRES LIMITED*

BOARD OF DIRECTORS

- ▶ V. V. AUGUSTINE
- ▶ TOM K. THOMAS
- ▶ P. A. KRISHNAMOORTHY
- ▶ V. VENUGOPAL
- ▶ JOHN M. JOHN
- ▶ DILIP MODAK
- ▶ Dr. C. K. BALAN

MANAGER

- ▶ KAMLESH RAMAKANT TALEKAR

CHIEF FINANCIAL OFFICER

- ▶ SANJAY BHATIA

COMPANY SECRETARY

- ▶ GEETA BANDEKAR

AUDITORS

- ▶ G. JOSEPH & ASSOCIATES
CHARTERED ACCOUNTANTS, COCHIN - 682016

REGISTRAR AND TRANSFER AGENTS

- ▶ NSDL DATABASE MANAGEMENT LIMITED , 4TH FLOOR, TRADE WORLD
A WING, KAMALA MILLS COMPOUND, SENAPATI BAPAT MARG, LOWER
PAREL, MUMBAI – 400 013

BANKERS

- ▶ FEDERAL BANK LIMITED, M.G. ROAD, ERNAKULAM - 682011

REGISTERED OFFICE

- ▶ BUILDING NO. 39/3B-3B1, OPP. KRISHNA HOSPITAL, CHITTOOR ROAD,
COCHIN - 682011, KERALA, INDIA.

PLANT

- ▶ ALWAYS MUNNAR ROAD,
KOTHAMANGALAM, PIN - 686 691

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NOTICE

NOTICE is hereby given that the 34th Annual General Meeting of the Rado Tyres Limited will be held on Wednesday, the 12th Day of August, 2020 at 3.00 p.m via video conferencing/OVAM to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. V.V. Augustine (DIN: 02402321), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Tom K. Thomas (DIN:00624432), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. John M. John (DIN: 00584201), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

Special Business:

5. To consider and, if thought fit to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company and such other consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the Board which term shall deem to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell or otherwise dispose of the non-current assets viz. Building, Machinery and spare parts at its factory at Alwaye Munnar Road, Kothamangalam 686 691 to Messrs Cyrus Traders for Rs. 4,52,50,000/- (Rupees Four Crores Fifty two Lacs and Fifty thousand Only) excluding GST and other applicable taxes on such terms and conditions as may be deemed fit by the Board.

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

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company with power to delegate to any Officers of the Company with authorities as required, affixing the common seal of the Company on agreements/documents, arranging delivery and execution of contracts, deeds, agreements and instruments.

RESOLVED FURTHER THAT if any of the aforesaid documents is required to be affixed with the common seal of the Company, it be so affixed and it be signed in accordance with Article 89 of the Articles of Association of the Company by any one of the aforesaid persons.”

For and on behalf of the Board

Geeta Bandekar
Company Secretary

Date : 29th June, 2020

Notes:

1. In view of the continuing Covid-19 pandemic, social distancing is a norm to be followed, the Government of India, Ministry of Corporate Affairs ('MCA') allowed conducting the Annual General Meeting ('AGM') through video conferencing ('VC') or other audio visual means ('OAVM') and dispensed personal presence of the members at the meeting. Accordingly, the MCA vide its Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 (collectively referred to as 'MCA Circulars'), prescribing the procedures and manner of conducting the AGM through VC/OAVM. In terms of the said MCA Circulars, the Thirty-Fourth AGM of the members be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only, hereinafter called as 'e-AGM'. The detailed procedure for participating in the meeting through VC/OAVM is mentioned in the serial no. 25.
2. The deemed venue for the Thirty-Fourth AGM shall be the Registered Office of the Company.
3. Pursuant to the provisions of the Companies Act, 2013 ('the Act'), a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this e-AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip including route map are not annexed to this Notice.
4. The Members can join the e-AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 Members on first come first served basis. This will not include large Shareholders/Members (Shareholders/Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The Company at its meeting held on September 26, 2018 appointed Messrs G. Joseph & Associates as the Statutory Auditors of the Company for a period of 5 (five) consecutive years from the conclusion of the 32nd Annual General Meeting ('AGM') of the Company till the conclusion of the 37th AGM to be held in the year 2023. The requirement to place the matter relating to the appointment of auditors for ratification of Members at every AGM has been done away with by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Hence, it is not required to propose resolution or ratification of appointment of statutory auditors.
6. The explanatory statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, ('the Act') which sets out details relating to the special business at the AGM is annexed hereto. The Board of Directors at its meeting held on June 29, 2020 has decided that the special businesses set out under item no. 5, being considered 'unavoidable', be transacted at the Thirty-Fourth e-AGM of the Company.
7. Pursuant to Section 113 of the Act, Corporate members are requested to send certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend the AGM of the Company through email at rado.ho@ceat.com.
8. Pursuant to the provisions of Section 152 of the Act and the rules made thereunder and Articles of Association of the Company, Mr. V.V. Augustine (DIN: 02402321), Mr. Tom K. Thomas (DIIN: 00624432) and Mr. John M. John (DIN: 00584201) retire by rotation and being eligible offer themselves for re-appointment. None of the directors are related to each other.
9. Pursuant to the provisions of Section 91 of the Act, the Register of Members and the share transfer books of the Company will remain closed from Tuesday, August 4, 2020 to Wednesday, August 12, 2020 (both days inclusive).
10. To avoid fraudulent transactions, the identity/signature of the Members holding shares in electronic form is verified with the specimen signatures furnished by NSDL/CDSL and that of Members holding shares in physical form is verified as per the record of the Registrar and Transfer Agents of the Company. Members are requested to keep the same updated.

11. Members holding shares in electronic form are requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
12. In case of any query relating to Financial Statements or matter to be placed at the AGM, Members are requested to write to the Company through email at rado.ho@ceat.com at an early date. The same will be replied by the Company suitably.
13. Members who have not yet registered their email addresses are requested to register the same with their respective depository participant in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form at the Company's email id at rado.ho@ceat.com
14. Pursuant to Section 72 of the Act, Members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company. In respect of shares held in electronic form, the members may please contact their respective depository participant.
15. The Members holding shares in the same name or in the same order of names, under different folios are requested to notify the relevant details of the said holdings to the Company for consolidation of their shareholding into single folio to help us serve you better. Members are also requested to get their signature updated if not done already.
16. Pursuant to the MCA notification dated September 10, 2018 for the dematerialisation of shares of unlisted public companies, the Company has appointed National Securities Depositories Limited as Depository and NSDL Database Management Limited as the Registrar and Transfer Agents of the Company. The Members may note all unlisted public companies are required to transfer its securities only in demat form on or after October 2, 2018. Hence, Members are requested to kindly get their shares dematerialized.
17. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, email address, contact numbers, etc., to their depository participant ('DP'). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agents to provide efficient and better services.
18. Members holding shares in physical form are requested to intimate such changes to the Company at the email id of the Company at rado.ho@ceat.com.
19. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the e-AGM.
20. In terms of Sections 101 and 136 of the Act, read together with the Rules made thereunder, companies may send the notice of annual general meeting and the annual report, including Financial Statements, Board's Report etc. by electronic mode. In compliance with the provisions of the Act and aforesaid MCA Circulars, Notice of the Thirty-Fourth AGM along with the Annual Report for FY 2019-20 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories. Members may note that the Notice of the Thirty-Fourth AGM and Annual Report for FY 2019-20 will also be available on www.radotyreslimited.com under the tab 'Investors' and on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com for download by the Members.
21. To receive Members' communications through electronic means, including annual reports and notices, Members are requested to kindly register/update their e-mail address with their respective depository participant, where shares are held in electronic form. If, however, shares are held in physical form, Members are advised to register their email address with the Registrar and Share Transfer Agents of the Company or the Company at rado.ho@ceat.com.
22. Relevant documents referred to in this Notice and the following statutory registers will be available for inspection in electronic mode. Members can inspect the same by sending an email to Company at rado.ho@ceat.com.
 - i. Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act.

- ii. Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Act.
23. For ease of conduct, Members who would like to ask questions /express their views on the items of the businesses to be transacted at the meeting can send in their questions/comments in advance registering their name with the Company by sending an email on rado.ho@ceat.com during the period starting from August 4, 2020 (9.00 a.m.) up to August 5, 2020 (5.00 p.m.) mentioning their name, demat account no./Folio no., e-mail Id, mobile number etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting.
24. The attendance of the Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

25. Instructions for Members attending the AGM through VC/OAVM are as under:

- i. Members will be provided with a facility to attend the e-AGM through VC/OAVM through the CDSL E- Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- ii. Members are encouraged to join the Meeting through Laptops/IPads for better experience.
- iii. Further members will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable wi-fi or LAN connection to mitigate any kind of aforesaid glitches.
- v. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance during the period starting from August 4, 2020 (9.00 a.m.) up to August 5, 2020 (5.00 p.m.) mentioning their name, demat account number/folio number, email id, mobile number to the Company at Company's email id rado.ho@ceat.com. The Members who do not wish to speak during the AGM but have queries may send their queries during the period starting from August 4, 2020 (9.00 a.m.) up to August 5, 2020 (5.00 p.m.) mentioning their name, demat account number/folio number, email id, mobile number to Company at Company's email id rado.ho@ceat.com. These queries will be replied to by the Company suitably by email.
- vi. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

26. Voting on resolutions:

Pursuant to Section 108 of the Act, read with the Rules made thereunder and MCA Circulars the Company is pleased to provide the facility to members to exercise their right to vote through electronic means (Remote e-voting), on all the resolutions set forth in this Notice. The e-voting period will commence at 9.00 a.m. on Sunday, August 9, 2020 and will end on Tuesday, August 11, 2020 at 5.00 p.m. The Company has entered into an agreement with Central Depository Services of (India) Limited ('CDSL') for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the e-AGM will be provided by CDSL.

Pursuant to MCA Circular, the facility to appoint proxy to attend and cast vote for the Members is not available for this e-AGM.

The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, August 4, 2020. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the meeting.

Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the notice and holding shares as on the cut-off date, may obtain the login credentials by sending a request to the Company at rado.ho@ceat.com.

I. Remote e-voting

The instructions for Members for Remote e-voting are as under:

- i. The voting period begins on 9.00 a.m. on Sunday, August 9, 2020 and will end at 5.00 p.m. on Tuesday, August 11, 2020. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday, August 4, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Members who have already voted prior to the meeting date would not be entitled to vote during the meeting
- iii. The Members should log on to the e-voting website www.evotingindia.com.
- iv. Click on 'Shareholders' module.
- v. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- viii. If you are a first-time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<ul style="list-style-type: none"> • Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the demat account/Folio number in the PAN field. • In case the Folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with Folio number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.
	If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- ix. After entering these details appropriately, click on 'SUBMIT' tab.
- x. Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant Rado Tyres Limited on which you choose to vote.
- xiii. On the voting page, you will see 'RESOLUTION DESCRIPTION' and against the same the option 'YES/NO' for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- xiv. Click on the 'RESOLUTIONS FILE LINK' if you wish to view the entire Resolution details.
- xv. After selecting the resolution you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.
- xvi. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take a print of the votes cast by clicking on 'Click here to print' option on the Voting page.
- xviii. If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- xix. Shareholders can also cast their vote using CDSL's mobile app 'm-Voting'. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- xx. Process for those Members whose email addresses are not registered with the Depositories for obtaining Login Credentials for e-Voting for the Resolutions proposed in this Notice:
 - i. For Physical Members- please provide necessary details like Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to the Company at rado.ho@ceat.com.
 - ii. For Demat members - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to the Company at rado.ho@ceat.com.
 - iii. The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the above-mentioned Members.

II. Voting facility at the AGM

Instructions for Members for e-voting during the AGM are as under:-

- i. The procedure for e-voting on the day of the e-AGM is same as the instructions mentioned above for Remote e-voting.
 - ii. Only those Members, who are present in the e-AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the e-AGM.
 - iii. If any votes are cast by the Members through the e-voting available during the e-AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.
 - iv. Members who have voted through Remote e-Voting will be eligible to attend the e-AGM. However, they will not be eligible to vote at the e-AGM.
- xxi. Note for Non – Individual Members and Custodians
- Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the 'Corporates' module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney ('POA') which they have issued in favour of the Custodian, if any, should be sent via email to rado.ho@ceat.com for the scrutinizer to verify the same.
 - Alternatively non individual members are required to send the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address rado.ho@ceat.com (designated email address by Company), if they have voted from individual tab and not uploaded same in the CDSL e-voting system for scrutinizer to verify the same.
- xxii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ('FAQs') and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited ('CDSL'), A Wing, 25th Floor, Marathon Futurex, Mafatnal Mill Compounds, N. M. Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

III. General Instructions:

- i. The Company has appointed Mr. P. Sivakumar (FCS 3050, CP 2210), of SEP & Associates Practicing Company Secretaries, to act as the Scrutinizer, to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
- ii. The Scrutinizer shall, immediately after the conclusion of voting at the e-AGM, first count the votes cast during the e-AGM, thereafter unblock the votes cast through remote e-voting and make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman and/or Managing Director or a Director or a person authorized by him in writing who shall countersign the same.
- iii. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.radotyreslimited.com and on the website of CDSL's e-voting. The results shall also be displayed on the Notice Board at the registered office of the Company.
- iv. The e-AGM is being convened through VC/OAVM in compliance with applicable provisions of the Act read with MCA Circulars.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESS IN THE NOTICE:

1. ITEM NO. 5:

The Company had suffered losses in the last more than 10 years, due to various reasons *inter alia* sub-optimum capacity utilization leading to high operational cost, absenteeism, unreliable power supply, technological obsolescence etc. Further it had to stop tyre manufacturing at its existing factory since March 20, 2017 due to some compelling reasons. Therefore, the Company in August 2017, offered voluntary retirement to permanent employees/workers of the Company to reduce operational cost. In the process, all the permanent employees and workers opted for retirement and consequently all of them had to be relieved on or before October 2017 after complete settlement of all their dues. Later, the Company had, also tried other alternatives for using its manufacturing facility, including by way of leasing out the factory and for that purpose, had issued advertisements in the Hindu and Malayalam Manorama newspapers on February 4, 2018 and November 11, 2017 respectively. However, the Company did not receive any viable response from the public.

Hence, the efforts made by the Directors of the Company to operate the factory through alternate methods also failed. Therefore, it had become difficult to run the factory. Lead by these compelling reasons, the Company on July 5, 2018 submitted a notice of closure of its factory under Section 25-FFA of the Industrial Disputes Act, 1947 in Form Q to the Government of Kerala, Labour Department and the Company had on October 30, 2018 received an order dated October 6, 2018, from Labour & Skills (A) Department, Government of Kerala, granting permission under Section 25(O)(2) of the Industrial Dispute Act, 1947 to close the Factory of RADO Tyres Limited located at Nellikuzhi, near Kothamangalam, subject to conditions laid down in the said Act.

Considering the above, the Board of Directors of the Company feels that it would not be in the interest of the Company to hold the assets of the Company anymore to protect their values. Hence, the Board of Directors had at its meeting held on November 20, 2018 and April 24, 2019, decided to sell or otherwise dispose of certain assets of the Company subject to passing of special resolution by the Members of the Company.

Pursuant to Section 180(1)(a) of the Companies Act, 2013 ('the Act'), the Board of Directors can sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company post approval of the members by way of a special resolution. Pursuant to Section 110 of the Act any item of business required to be transacted by means of postal ballot, may be transacted at a general meeting by a company which is required to provide the facility to Members to vote by electronic means under Section 108, in the manner provided in that section.

In compliance with the applicable provisions of the Act, consent of the Members is sought by way of a Special Resolution at Item no. 5 of the accompanying Notice to enable the Board of Directors to sell or otherwise dispose of non-current assets held for sale namely the Building and Machinery, spare parts of the Company by passing of the Special Resolution.

All the relevant documents shall be available for inspection. The Members are requested to write to the Company at rado.ho@ceat.com.

Accordingly, the Board of Directors recommend the resolution at Item No. 5 of the Notice as a Special Resolution. None of the Directors except to the extent of their shareholding in the Company or Key Managerial Personnel of the Company or their Relatives is concerned with or interested in the above resolution.

Under the Authority of the Board of Directors

Geeta Bandekar
Company Secretary

Date : 29th June, 2020

Rado Tyres Limited

CIN: U25111KL1986PLC004449

Registered Office:

Building No. 39/3b, 3b1,

Opp. Krishna Hospital, Chittoor Road,

Cochin -11, Kerala, India.

BOARD'S REPORT

To

The Members of Rado Tyres Limited

Your Directors are pleased to present their Thirty-Fourth Annual Report together with the Audited Financial Statements of the Company for the year ended 31st March, 2020

FINANCIAL SUMMARY

Rs. In Lacs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March 2019
Income	2.60	14.30
Operating Expenditure	31.08	89.06
Operating Profit (PBDIT)	(28.48)	(74.76)
Depreciation	0.07	72.35
Profit/(Loss) before exceptional item	(28.55)	(147.11)
Exceptional Item – VRS	-	-
Profit/(Loss) after exceptional item	(28.55)	(147.11)

In the preparation of financial statements, no treatment different from that prescribed in the relevant Accounting Standards have been followed.

OPERATIONS/STATE OF THE COMPANY'S AFFAIRS

As reported previously, the Company had to suspend its tyre manufacturing activity from March 20, 2017 consequent to withdrawal of the Panchayat Licence alleging that some dust particles had emanated from the Boiler Chimney at start-up of the Boiler. This was despite the fact that the Company was running with all pollution control measures and with valid license issued by the Pollution Control Board. Consequent to this disruption leading to the inability of the Company to meet its commitments of agreed production, CEAT Limited decided to terminate its Conversion Agreement with the Company effective June 9, 2017. Further, to reduce losses and fixed cost, a Voluntary Retirement Scheme ('VRS') was offered, and all employees including officers, but excluding the Key Managerial Personnel ('KMPs'), opted for VRS and were relieved from the roles of the Company in November 2017 after full settlement. Alternate efforts were made to give the factory on lease if there were any interested parties and accordingly the Company had published advertisements to this effect in leading newspapers on November 11, 2017 and February 4, 2018. However, no serious contenders approached the Company to operate the factory on lease basis.

As recommending the factory was not a feasible option, the Board of Directors decided to approach the Government and applied in Form Q a 'Notice of closure by an employer under Section 25-FFA of the Industrial Disputes Act, 1947 to Government of Kerala on July 5, 2018 and received an order from Labour & Skills (A) Department, Government of Kerala dated October 6, 2018, granting permission under Section 25(O)(2) of the Industrial Dispute Act, 1947 to close the Factory of the Company located at Nellikuzhi, near Kothamangalam, subject to conditions laid down in the Industrial Disputes Act, 1947.

The Management has received the Offers from the prospective Buyers for the sale of its non-current assets viz. Building, Machinery and spare parts at its factory at Alwaye Munnar Road, Kothamangalam 686 691. A special resolution along with the explanatory statement in this regard has been included the Notice convening the Thirty-Fourth Annual General Meeting seeking the approval of the Shareholders.

The management is in the process of obtaining appropriate value for the land for its disposal.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there was no change in the nature of the business.

TRANSFER TO RESERVE

No amount was transferred to reserves, during the Financial Year 2019-20

DIVIDEND

As the Company does not have any distributable profits, no dividend is recommended by the Board.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments except as disclosed in Financial Statements, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Financial Statements relate and the date of this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A statement giving details of conservation of energy, technology absorption, foreign exchange earnings and outgo, in accordance with the Section 134(3)(m) of the Companies Act, 2013 ('the Act') read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed hereto as **Annexure-1** and forms part of this Report.

MEETINGS OF THE BOARD

During the year under review, 4 (four) meetings of the Board of Directors on April 24, 2019, July 22, 2019, October 16, 2019, and January 17, 2020 were convened and held. The intervening gap between these meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS

In accordance with Section 152 of the Act and Articles of Association of the Company, Mr. V. V. Augustine (DIN:02402321), Mr. Tom K Thomas (DIN:00624432) and Mr. John M. John (DIN:00584201) retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

DECLARATION OF INDEPENDENCES

The Independent Directors of the Company have given the declaration of Independence as required under Section 149(7) of the Companies Act, 2013, stating that they continue to meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013. Further, Independent Directors of the Company have also confirmed that they have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013.

BOARD COMMITTEES

During the year under review, following committees were met to review various matters as covered under the terms of reference of the respective Committees.

- Audit Committee comprising of Mr. P. A. Krishnamoorthy, Chairman (Independent Director) (DIN:02432816), Mr. V. Venugopal (Independent Director) (DIN:01901717) and Mr. John M. John (Non-Independent Director) (DIN:00584201).
- Nomination and Remuneration Committee comprising of Mr. V. V. Augustine, Chairman (Non-Independent Director) (DIN:02402321), Mr. V. Venugopal (Independent Director) (DIN:01901717) and Mr. P. A. Krishnamoorthy (Independent Director) (DIN:02432816).
- Stakeholders' Relationship Committee comprising of Mr. V. V. Augustine, Chairman (Non-Independent Director) (DIN:02402321), Mr. John M. John (Non-Independent Director) (DIN:00584201) and Mr. P. A. Krishnamoorthy (Independent Director) (DIN:02432816).

ATTENDANCE AT THE BOARD/COMMITTEE MEETINGS:

Name of the Director	Board Meeting	Audit Committee	Stakeholders' Relationship Committee	Nomination and Remuneration Committee
Mr. V. V. Augustine	3/4	N.A.	3/4	1/1
Mr. P. A. Krishnamoorthy	4/4	4/4	4/4	1/1
Mr. V. Venugopal	4/4	4/4	N.A.	1/1
Mr. John M. John	4/4	4/4	4/4	N.A.
Dr. C.K. Balan	4/4	N.A.	N.A.	N.A.
Mr. Dilip Modak	2/4	N A	N.A.	N.A.
Mr. Tom K. Thomas	1/4	N.A.	N.A.	N.A.

SECRETARIAL STANDARDS

The Institute of Company Secretaries of India has currently mandated compliance with the Secretarial Standards on board meetings and general meetings, as revised w.e.f. October 1, 2017. During the year under review, the Company has complied with the applicable Secretarial Standards.

SHARE CAPITAL

The paid-up capital of the Company as at March 31, 2020 was Rs. 21,53,16,200 consisting of paid up equity share capital of Rs.6,43,16,200 and preference share capital of Rs.15,10,00,000. There was no change in the paid-up share capital of the Company during the year under review.

INTER-SE RELATIONSHIPS BETWEEN THE DIRECTORS

There are no inter-se relationships between the Directors.

KEY MANAGERIAL PERSONNEL

Ms. Geeta Bandekar was appointed as Company Secretary of the Company w.e.f. January 23, 2018 and Mr. Kamlesh Talekar was appointed as the Manager w.e.f. January 14, 2017.

Mr. TPK Patro who was appointed as Chief Financial Officer of the Company w.e.f. June 4, 2018 has resigned from the close of working hours of May 4, 2020. The Board places on record its sincere appreciation for the invaluable contribution by Mr. TPK Patro during his tenure as Chief Financial Officer of the Company.

Mr. Sanjay Bhatia was appointed as the Chief Financial Officer of the Company w.e.f. May 15, 2020.

NOMINATION AND REMUNERATION POLICY

The Board has put in place a Nomination and Remuneration Policy as required under Section 178(3) of the Act. The Policy *inter alia* directed to work as guiding principles on qualifications, positive attributes and independence for appointment of Director, remuneration for the Directors, KMP and Senior Management Personnel, performance evaluation of all Directors and achieving the benefits of having a diverse board. The same is enclosed as **Annexure-2** to this Report.

EVALUATION OF BOARD, ITS COMMITTEES AND DIRECTORS

As required pursuant to the provisions of the Act, the Board has carried out an evaluation of its own performance and that of its committees, Chairperson and individual directors. For the purpose of evaluation for Financial Year 2019-20, the Board had finalized a questionnaire based on a criteria of evaluation. The results of the survey/feedback were then deliberated and evaluation of the Board, its Committees and the Directors was carried out as prescribed under the law.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 read with Schedule VII of the Companies Act, 2013 are not applicable to the Company.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

As per Section 177 of the Act, 2013, the Company is not required to frame Vigil Mechanism/Whistle Blower Policy during the year under review.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in the prescribed Form MGT-9 are annexed herewith as **Annexure-3** to this Report.

RELATED PARTY TRANSACTIONS

The Related Party Transactions, as applicable, were placed before the Audit Committee and if required before the Board for approval. The requirement of giving particulars of contracts/arrangements made with related parties, in Form AOC-2 is not applicable for the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There are no Loans, Guarantees and Investments covered under the provisions of Sections 186 of the Act, 2013.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Act, your Directors, to the best of their knowledge and belief, make following statements that:

- The applicable Accounting Standards have been followed in the preparation of the annual accounts along with the proper explanation relating to material departure, if any.
- Such accounting policies have been selected and applied consistently and such judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company in the Balance Sheet as at March 31, 2020 and the Statement of Profit and Loss for the said financial year ended March 31, 2020
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- Since the factory operations had been suspended w.e.f March 20, 2017, and Government of Kerala has also given the permission to close the Company's factory at Kothamangalam, the Board of Directors, at their meeting held on November 20, 2018, decided to explore the options to dispose of the assets of the Company. Accordingly, the financial statements have been prepared assuming the Company will not continue as a 'Going Concern'. Consequently, the assets are stated at the cost or net realizable value whichever is lower. Liabilities have been stated at the values at which they are payable and all assets which are available for sale have been reclassified under Non-Current Assets held for sale.
- The proper internal financial controls were in place and that such internal financial controls are adequate and were operating effectively.
- The systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and are operating effectively.

STATUTORY AUDITORS

M/s. G. Joseph & Associates, Chartered Accountants, Firm Regn. No. 006310S have been appointed as Statutory Auditors of the Company at the 32nd Annual General Meeting held on September 26, 2018 for a period of 5 (five) years to hold office till the conclusion of 37th Annual General Meeting of the Company.

The provisions of annual ratification of the Appointment of Statutory Auditors by the Members at the every Annual General Meeting is no more required in view of the Companies Amendment Act, 2017 read with Notification S.O. 1833(E) dated May 7, 2018. Hence this item has not been included in the Notice of AGM.

EXPLANATION AND COMMENTS ON AUDITORS REPORT

The Statutory Auditors' Report for FY 2019-20 is self-explanatory and do not call for any further comments. There are no qualifications, disclaimers, reservations or adverse remarks made by the Statutory Auditors in the Auditors' Report.

DETAILS OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE ACT

During FY 2019-20, the Statutory Auditors have not reported any instances of fraud to the Central Government and Audit Committee as per the provisions of Section 143(12) of the Act, read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS

There were no significant and material orders passed by the Regulators or Courts or Tribunals, during the year under review.

INTERNAL FINANCIAL CONTROL

The Company has adequate internal control procedure commensurate with the nature and size of its business.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

In accordance with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has complied with the provisions relating to the constitution of internal complaints committee. During the year under review no complaints were received by the Committee.

ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation for the co-operation and support received from all the stakeholders such as employees, banks, government departments and Shareholders, towards conducting the business of the Company during the year under review.

For and on behalf of the Board of Directors of Rado Tyres Limited

P. A. Krishnamoorthy
Director
DIN:02432816

John M John
Director
DIN:00584201

Place : Cochin
Date : 29th June, 2020

ANNEXURES TO BOARD'S REPORT

- As per Rule 8 of the Companies (Accounts) Rules, 2014 - Annexure-1
- Nomination and Remuneration Policy - Annexure-2
- Form No. MGT – 9 Extract of Annual Return - Annexure-3

ANNEXURES TO BOARD'S REPORT**Annexure 1**

(Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

1. Conservation of Energy:

(i)	The steps taken or impact on conservation of energy.	:	Installation of water preheater, change of boiler tubes and press module has increased the fuel efficiency. FY 2016-17
(ii)	The steps taken by the company for utilizing alternate sources of energy.	:	Biogas plant was installed and bio gas used in canteen through use of canteen waste. FY 2016-17
(iii)	The capital investment on energy conservation equipment.	:	Water preheater system installed having a capital investment Rs. 2.54 lacs. FY 2016-17

Note :- Since the plant has not been operating from 20th March 2017, the Company has not implemented new projects, for conservation of Energy since then.

2. Technology Absorption

Not applicable in view of the closure of the operations of the Factory effective March, 2017

3. Foreign Exchange Earnings and Outgo

Foreign exchange earning - Nil

Foreign exchange outgo - Nil

Annexure -2

NOMINATION AND REMUNERATION POLICY

1. INTRODUCTION/OBJECTIVE:

This policy has been formulated in terms of the provisions of the Companies Act, 2013 relating to the appointment and remuneration of the Directors, Key Managerial Personnel, Senior Management Personnel and, other employees and Board diversity. This Policy sets out the guiding principles on:

- i. appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management Personnel;
- ii. qualifications, positive attributes and independence for appointment of a Director and assessment of independence of Independent Director;
- iii. performance evaluation of all Directors;
- iv. core skills/expertise/competencies required of the Board of Directors of the Company;
- v. achieving the benefits of having a diverse Board.

2. DEFINITIONS:

- i. Non-executive Directors ('NED') means a member of a Company and Board of Directors who is not in whole-time employment of the Company.
- ii. Key Managerial Personnel ('KMP') mean:
 - the Chief Executive Officer ('CEO') or the Managing Director ('MD') or Manager,
 - the Company Secretary ('CS'),
 - the Whole-time Director ('WTD'),
 - the Chief Financial Officer ('CFO'),
 - Such other officer, designated as Key Managerial Personnel by the Board, who is in whole-time employment at a level not more than one level below the directors.
- iii. Senior Management Personnel ('SMP') for the purpose of this Policy means officers/personnel who are members of the core management team excluding board of directors and normally comprising of all members of management one level below the Chief Executive Officer/Managing Director/Whole-time Director/Manager and shall specifically include Company Secretary and Chief Financial Officer. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013, as may be amended from time to time, shall have the meaning respectively assigned to them therein.

3. DIVERSITY IN THE BOARD OF DIRECTORS:

Diversity refers to the variety of attributes of diverse nature between people and encompasses acceptance, respect and an understanding that everyone is unique. These aspects include age, gender, ethnicity, physical abilities, marital status, ideologies, background, knowledge and skills. With a view to achieving a sustainable development, the Company shall aim to increase diversity at the Board level as an essential element in terms of:

- Experience of diverse nature,
- Gender in having the right representation of female members to also ensure statutory Compliance as applicable,

- Qualifications, Knowledge and core skills/expertise/competencies required of the Board of Directors in context of Company's business/sector.

Diversity at the Board level shall be used a tool for supporting the attainment of the strategic objectives of the Company and also to drive business results. Accordingly, while designing the composition of the Board, diversity shall be considered on all aspects and all appointments shall be based on meritocracy. The Company is committed to meritocracy and shall respect diversity within the Board members and shall have an inclusive culture where all view shall be heard and all opinions respected.

4. REQUIREMENTS RELATING TO DIRECTORS:

A. Appointment of Directors:

The Company shall appoint those persons who possess requisite qualifications and experience and positive attributes within overall framework of diversity as described in this Policy.

B. Qualifications and Experience:

- i. Any person to be appointed as a Director on the Board of Directors of the Company, including Independent Director shall, in addition to a formal professional qualification should possess appropriate skills, experience and knowledge in one or more fields viz. sciences, actuarial sciences, banking, finance, economics, law, management, sales, human resource, marketing, administration, research, corporate governance or technical operations.
- ii. Any person to be appointed as a Director on the Board of the Company shall be such person who shall be able to provide policy directions to the Company including directions on good corporate governance.

C. Positive attributes:

The person to be appointed as a Director of the Company shall, in addition to the formal qualifications and relevant experience described in this Policy, shall also possess the attributes such as integrity, leadership, business orientation, commitment and proven track record and such other attributes, which in the opinion of the NRC are in the interest of the Company.

D. Disqualification:

Any person to be appointed as Director shall not possess any disqualifications as prescribed under the Applicable Laws.

E. Evaluation:

- i. NRC shall facilitate the Board to undertake evaluation of performance of all Directors on yearly basis.
- ii. The Board shall evaluate, every year, its performance along with that of the individual directors including Chairman, IDs, independence of IDs and of its Committees.
- iii. The Company may conduct the exercise of evaluation by preparing a questionnaire and submit the report/ outcome to the Company, in the manner desired by the Company.

F. Familiarisation Programme:

The Company shall familiarize the Independent Directors of the Company with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company through various programmes.

5. REQUIREMENT RELATING TO KEY MANAGEMENT PERSONNEL AND SENIOR MANAGERIAL PERSONNEL:

A. Appointment of KMP and SMP:

- i. Based on the recommendation of NRC, the appointment of the MD, CEO, WTD, CFO and the CS shall be approved by the Board of Directors.
- ii. KMP and SMP shall be employed by the Company only on a whole-time basis and they will not be permitted to take up employment anywhere else, except in the subsidiary of the Company with prior approval of the Board of Directors. Further employees of holding company can also be appointed as KMP and SMP and not on a whole-time basis.
- iii. The appointments of SMP shall be approved by MD. Remuneration payable to SMP shall be recommended by the NRC and approved by the Board.

B. Qualifications and Experience:

- i. Any person to be appointed as KMP or as SMP shall possess relevant educational, professional qualifications, experience and domain knowledge required for performing the job for which they are appointed.
- ii. There shall be no discrimination on account of gender, race and religion in terms of appointment as KMP or SMP.

C. Positive Attributes:

- i. KMP and SMP shall also possess attributes like decision making skills, leadership skills, integrity and proven track record and shall demonstrate commitment to the organization.
- ii. KMP and SMP shall meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture for good decision making.

D. Performance Evaluation:

- i. MD/CEO shall carry out the performance evaluation of all the SMPs and KMPs excluding himself/herself and the WTD.
- ii. The evaluation process adopted by the Company shall always consider the appropriate benchmarks set as per industry standards, performance of the Industry, the Company and of the individual KMP/SMP.
- iii. Evaluation of performance shall be carried out at least once in a year, in accordance with the existing evaluation process of the Company.

E. REMUNERATION:

Guiding Principles:

- i. The terms of employment and remuneration of MD, WTD, KMPs, Directors and SMPs shall be competitive in order to ensure that the Company can attract and retain competent talent.
- ii. The Remuneration Policy shall ensure that:
 - a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMPs and SMPs of the quality required to run the Company successfully.
 - b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
 - c) Remuneration to Directors, KMPs and SMPs involves a balance between fixed and variable pay reflecting short and long-term performance objectives and goals set by the Company.

- d) Remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.
- iii. While determining the remuneration and incentives for the MD/WTD, KMP's and SMPs, the following shall be considered:
 - a) Pay and employment conditions with peers/elsewhere in the competitive market
 - b) Benchmarking with the industry practices
 - c) Performance of the individual
 - d) Company Performance
- iv. For the benchmarking with Industry practice, criteria of size, complexity, data transparency and geographical area shall also be given due consideration
- v. The pay structures shall be appropriately aligned across levels in the Company

6. REMUNERATION POLICY:

A. MD/WTD:

- i. Remuneration to the MD and WTD at the time of his/her appointment shall be proposed by the NRC and subsequently approved by the Board of Directors and the shareholders of the Company or Central Government, whenever required.
- ii. Annual increments /subsequent variation in remuneration to the MD and WTD shall be approved by the NRC/ Board of Directors, within the overall limits approved by the shareholders of the Company or Central Government.
- iii. Remuneration shall be evaluated annually against performance and a benchmark of international and domestic companies, which are similar in size and complexity. Benchmark information shall be obtained from internationally recognized compensation service consultancies.
- iv. Total remuneration for the MD and WTD shall be comprised of the following:
 - a) Salary (both fixed and variable)
 - b) Perquisites
 - c) Performance linked Bonus
 - d) Retirals benefits

It shall be ensured that total remuneration payable to MD and WTD's shall not exceed the limits mentioned under the Applicable Laws.

B. NEDs:

- i. NEDs shall be entitled to such sitting fees as may be decided by the Board from time to time for attending the meeting of the Board and of the Committee thereof.
- ii. NEDs shall also be entitled for payment of remuneration/commission as may be recommended by NRC and subsequently approved by the Board of Directors, up to the limits permitted under the Applicable Laws and wherever required approval of the shareholders of the Company shall be obtained from time to time.
- iii. IDs shall not be eligible for any Stock Options, pursuant to any Stock Option Plan adopted by the Company.
- iv. NEDs shall be eligible for remuneration of such professional services rendered if in the opinion of the NRC, the NED possesses the requisite qualification for rendering such professional services.

C. SMPs and KMPs (other than MD/WTD):

- i. Remuneration packages shall be designed in such manner that:
 - a) Motivates delivery of key business strategies, creates a strong performance-orientated environment and rewards achievement of the Company's objectives and; goals over the short and long-term.
 - b) Attracts high-flier executives in a competitive global market and remunerate executives fairly and responsibly.
- ii. Remuneration shall be competitive and shall include salary comprising of both fixed and variable components, performance incentives and other benefits as per the policy of the Company, considering relevant qualification, experience and performance of the individual as well as the prevailing market conditions.
- iii. The remuneration in whatever form payable to the KMPs and SMP at the time of his/her appointment and revision thereof, shall be recommended by the NRC and approved by the Board.
- iv. Remuneration shall be evaluated annually, and annual increase shall be decided considering the performance of the individual and also of the Company. Industry practices/ trends shall also be given due consideration. Annual increment /subsequent variation in remuneration to the KMPs and SMP shall be recommended by the NRC for the approval of Board of Directors.
- v. Remuneration can be reset at any time considering the benchmark of international and domestic companies, which are similar in size and complexity to the Company. Benchmark information shall be obtained from internationally recognized compensation service consultancies.
- vi. NRC may consider grant of Stock Options to KMPs and SMPs pursuant to any Stock Option Plan adopted by the Company.

7. DIRECTOR AND OFFICER LIABILITY INSURANCE:

- a. The Company may provide an insurance cover to Directors, KMPs and SMPs for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust and the premium paid on the same shall not be treated as a part of remuneration paid to them.
- b. The premium paid by the Company for such insurance cover, called for Directors and Officers Liability Insurance Policy, taken for the above purpose shall be paid by the Company without any charge to the Directors, KMPs and SMPs.

8. DISCLOSURES:

This Policy shall be disclosed on the Company's website if any and a web link thereto shall be provided in its Annual Report.

9. AMENDMENTS TO THE POLICY:

The Board of Directors may amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail notwithstanding the provisions hereunder from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Annexure-3
Form No. MGT – 9
EXTRACT OF ANNUAL RETURN

 As on Financial year ended on 31st March 2020

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

I. REGISTRATION AND OTHER DETAILS

- (i) CIN : U25111KL1986PLC004449
- (ii) Registration Date : 21/03/1986
- (iii) Name of the Company : RADO TYRES LIMITED
- (iv) Category/Sub-Category of the Company : Registered Public Limited having share capital
Non -Government company
- (v) Address of the Registered Office and contact details : 39/3b. 3b1., Opp Krishna Hospital, Chittoor Road, Cochin – 682011, Ph. No. 0484-2374461,
e-mail rado.ho@ceat.com
- (vi) Whether Listed Company : No
- (vii) Name, Address and Contact details of Registrar and Transfer Agents if any. : NSDL Database Management Limited
(CIN U72400MH2004PLC147094)
+4th Floor, Trade World A Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013
022 4914 2591 (D), 022 4914 2700 (B) ,
9833515383(M) 7 022 49142503
nileshb@nsdl.co.in Website: www.nsdl.co.in www.ndml-nsdl.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

ALL THE BUSINESS ACTIVITIES CONTRIBUTING 10% OR MORE OF THE TOTAL TURN OVER OF THE COMPANY SHALL BE STATED:-

Sl. No.	Name and Description of main products/ services	NIC code of the Product/service	% to total turnover of the company
1.	Manufacturing of Rubber Tyres and tubes for Automobile vehicle	22111	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associates	% of shares held *	Applicable section
1.	M/s. CEAT Limited, 463, Dr. Annie Besant Road, Mumbai 400 030	L25100MH1958PLC011041	Holding Company	58.56%	Sec. 2(46)
* Percentage of equity shares held by CEAT limited					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

	No. of Shares held at the beginning of the year 01.04.2019				No. of Shares held at the end of the year 31.03.2020				% of change during the year
	Demat	Physical	Total	%of Total shares	Demat	Physical	Total	%of Total shares	
1. Indian									
a. Individual/HUF		199000	199000	1.24		199000	199000	1.24	Nil
b. Central Govt.									
c. State Govt(s)									
d. Bodies Corp		13705900	13705900	85.24	4289550	9416350	13705900	85.24	NIL
e. Banks/FI									
f. Any other									
Sub-Total A-1		13904900	13904900	86.48	4289550	9615350	13904900	86.48	NIL
2. Foreign									
Sub Total A-2									
Total Promoter share holdings		13904900	13904900	86.48	4289550	9615350	13904900	86.48	NIL
B. Public share holdings									
1. Institutions									
a. Mutual Funds									
b. Banks/FI									
c. Central Govt									
d. State Govt.(s)		106500	106500	0.66		106500	106500	0.66	NIL
e. Venture Capital Funds									
f. Insurance Companies									
g. FII's									
h. Foreign Venture Capital Funds									
i. Other (specify)									
Sub Total B – 1		106500	106500	0.66		106500	106500	0.66	NIL
2.Non-Institutions									
a. Bodies Corp									
i. Indian		140000	140000	0.87		140000	140000	0.87	NIL
ii. Overseas									
b.Individuals									
i. Individual Shareholders holding nominal share capital upto Rs. 1 lakh		1703650	1703650	10.6	900	1702750	1703650	10.6	NIL
ii. Individual Share holders holding nominal share capital in excess of Rs. 1 Lakhs'		224000	224000	1.39		224000	224000	1.39	NIL
c. Others Specify									
Sub – Total – B-2		2067650	2067650	12.86	900	2066750	2067650	12.86	NIL
Total Public share holding		2174150	2174150	13.52	900	2173250	2174150	13.52	NIL
C. Shares held by Custodian for GDRs & ADRs									
Grand Total –A+B+C		16079050	16079050	100	4290450	11788600	16079050	100	NIL

(ii) Shareholdings of Promoters-Corporates

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2019			Shareholding at the end of the year 31.03.2020			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of shares pledged/encumbered to total shares	No. of Shares	% of Total Shares of the company	% of shares pledged/encumbered to total shares	
1.	CEAT Limited	9416350	58.56	NIL	9416350	58.56	NIL	NIL
2.	Instant Holdings Limited	2745310	17.07	NIL	2745310	17.07	NIL	NIL
3.	Swallow Associates LLP	1544240	9.60	NIL	1544240	9.60	NIL	NIL

(ii a.) Shareholdings of Promoter Directors

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2019			Shareholding at the end of the year 31.03.2020			% Change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of shares pledged/encumbered to total shares	No. of Shares	% of Total Shares of the company	% of shares pledged/encumbered to total shares	
1.	V. V. Augustine	174000	1.08%	NIL	174000	1.08%	NIL	NIL
2.	Dr. C. K. Balan	17000	0.11%	NIL	17000	0.11%	NIL	NIL

(iii) Change in Promoters' Shareholding (please specify, if there is Change) - No change
(iv) Shareholding pattern of top ten shareholders (other than Directors, Promoteand holders of GDRs and ADRs

Sl. No.	For Each of the Top 10 shareholders	Shareholding at the beginning of the year. 01.04.2019		Cumulative shareholding during 2019.2020	
		No. of shares	% of total shares of the company	No. of shares	% total share of the company
a.	At the beginning of the year 01.04.2019	150300	0.93%	150300	0.93%
b.	Date wise increase/Decrease in shareholding during the year specifying the reasons for increase/decrease Allotment/transfer/bonus/sweat equity etc.)	NIL	NIL	NIL	NIL
c.	At the End of the year (or on the date of separation, is separated during the year) 31.03.2020	150300	0.93%	150300	0.93%

(v) Shareholding of Directors and Key Managerial Personnel

SL No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding during the year 2019-20	
		No. of shares	% of total shares of the company	No. of shares	% total share of the company
a.	At the Beginning of the year 01.04.2019	191000	1.19%	191000	1.19%
i.	Mr. V.V. Augustine – Director (DIN:02402321)	174000	1.08%	174000	1.08%
ii.	Dr. C.K. Balan – Director (DIN:00582279)	17000	0.11%	17000	0.11%
b.	Date wise increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g) Allotment/transfer/bonus/sweat equity etc.)	-	-	-	-
c.	At the End of the year 31.03.2020	191000	1.19%	191000	1.19%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 01.04.2019				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) interest due but not paid				
iii) interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year 2018-19				
Addition Reduction				
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year 31.03.2019				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) interest due but not paid				
iii) interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Manager.

Sl. No.	Particulars of Remuneration	Manager	Total Amount
		Amount in Rs.	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	12	12
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil
	Total	12	12
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
	Commission		
4.	- as % of profit	Nil	Nil
	- others, specify...	Nil	Nil
5.	Others, please specify	Nil	Nil
	Total	Nil	Nil
6.	Ceiling as per the Act	Nil	Nil
	Total	12	12

B. Remuneration to other Directors.

Particulars	V. V. Augustine Director	John M. John Director	P. A. Krishnamoorthy Independent Director	V. Venugopal Independent Director	Dilip Modak Director	C. K. Balan Director	Tom K. Thomas Director	Total
Fees for attending Board/Committee Meetings	17,000	20000	25,000	23,000	10,000	20,000	5,000	1,20,000
Commission	-							
Total	17,000	20,000	25,000	23,000	10,000	20,000	5,000	1,20,000
Ceiling as per the Act	-							
Above figures include sitting fees paid in FY 2019-20 for attending the Board and Committee meetings. Mr. John M. John, Director has waived off his right to receive sitting fees paid for attending the Committee meetings.								

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Amount in Rs.

Sl No.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer	Company Secretary	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12	12	24
	(b) Value of perquisites u/s 17(2) Income- tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
	Total	12	12	24
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- as % of profit	Nil	Nil	
	- others, specify...	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	Total	Nil	Nil	Nil
6.	Ceiling as per the Act	Nil	Nil	Nil
	Total	12	12	24

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES - Nil

For and on behalf of the Board of Directors of Rado Tyres Limited

P. A. Krishnamoorthy
Director
DIN:02432816

John M John
Director
DIN:00584201

Place: Cochin

Date : 29th June, 2020

INDEPENDENT AUDITOR'S REPORT

To the Members of Rado Tyres Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Rado Tyres Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash flows for the year then ended and the notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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

Basis for Opinion

We conducted our audit in accordance with the Standard of Auditing (SAs) specified under section 143(10) of the Act. Our responsibility under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder and we have fulfilled our 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.

Emphasis of Matters

We draw attention to:

- a. Note 2.1 of the financial statements wherein it is stated that the factory operations have been suspended. Consequently, the Board of Directors, at their meeting held on 20th November, 2018, decided to explore the options to dispose of the assets of the Company and to invite quotations from prospective buyers. On account of these decisions, the Ind AS financial statements have been prepared assuming the Company will not continue as a Going Concern. Consequently assets are stated at the cost or net realizable value whichever is lower. Liabilities have been stated at the values which they are payable. Further, all assets which are available for sale have been reclassified under Non-Current Assets Held For Sale.
- b. Note 2.2 of the financial statements which describe the impact of the outbreak of COVID-19 on the Company. It is stated that "the Board is not in a position to ascertain the possible impact on the market values of the assets held for sale in the prevailing uncertain market scenario, the management feels that it is unlikely to have a significant impact on the valuation of the assets and its ability to sell off these assets at prices which are higher than that stated in the financial statements."

While conducting our review we have considered the adequacy of the disclosures in this regard made in the notes to the financial statements.

Our opinion is not modified in respect of these matters.

Other Information

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

Our opinion on the standalone 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 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 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 the fact. We have nothing to report in this regard.

Management's responsibility for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 Audit of the Standalone 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 scepticism 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 Companies Act, 2013, 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.
- 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.

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.

Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- B. As required by Section 143 (3) of the Act, we report that:
- 1 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.
 - 2 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.
 - 3 The company does not have any branches and so the provisions of section 143(8) are not applicable to the company.
 - 4 The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash flows dealt with by this Report are in agreement with the books of account.
 - 5 In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - 6 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.
 - 7 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'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- C. With respect to the 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 explanation given to us:
- 1 The Company does not have any pending litigations which would impact its financial position;
 - 2 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - 3 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - 4 The disclosure in the standalone financial statements regarding holding as well as dealing in specified bank notes during the period from 8th November 2016 to 30th December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31st March, 2020.
- D. In our Opinion and according to the information and explanations given to us, the remunerations paid by the company to its directors during the current year is in accordance with the provisions and is not in excess of limit laid down in section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

UDIN: 20233286AAAABM6756

For G Joseph & Associates
Chartered Accountants
Firm Reg. No. 006310SRaphael Sharon
Partner
233286Place : Ernakulam
Date : 15.05.2020

**ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT
IN TERMS OF SECTION 143(11) OF THE COMPANIES ACT, 2013**

- (i) a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. As explained to us, the fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- c. As per the information and explanations provided to us, title deeds of immovable properties are held in the name of the company.
- (ii) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. In our opinion and on the basis of examination of the records, no material discrepancies were noticed on physical verification of inventory by the management as compared to the book records.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under section 189 of the Companies Act. Consequently, the provisions of clauses 3(iii)(a) to 3(iii)(c) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not provided any loans, guarantees, securities to parties covered under section 185 and 186. Also, none of the investments by the Company attract the provisions of section 186 of the Act.
- (v) The Company has not accepted any deposit from public within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder.
- (vi) The provisions regarding maintenance of cost records under sub-section (1) of section 148 of the Companies Act are not applicable to the company.
- (vii) (a) According to the records of the Company, undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the informations and explanations given to us there were no statutory dues on the last day of the financial year outstanding for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, there are no amounts payable in respect of statutory dues which have not been deposited on account of any disputes.
- (viii) According to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.
- (ix) Based on our audit procedures and on the information given by the management, we report that the Company has not raised any moneys by way of initial or further public offer or any term loans during the year.
- (x) Based on the audit procedures performed and the information and explanation given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) The managerial remuneration paid is in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of Act.
- (xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (Xii) of the Order is not applicable to the Company.

- (xiii) All transactions with related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been suitably disclosed in the Financial Statements as required by the accounting standards.
- (xiv) Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) Based on the audit procedures performed and the information and explanation given to us, we report that the company has not entered into any non-cash transactions with its directors/director of the company or associate company/a person connected with the Director during the year.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

UDIN: 20233286AAAABM6756

For G Joseph & Associates
Chartered Accountants
Firm Reg. No. 006310S

Raphael Sharon
Partner
233286

Place : Ernakulam
Date : 15.05.2020

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RADO TYRES LIMITED

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

We have audited the internal financial controls over financial reporting of Rado Tyres Limited (“the Company”) as of 31st 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

UDIN: 20233286AAAABM6756

For G Joseph & Associates
Chartered Accountants
Firm Reg. No. 006310S

Raphael Sharon
Partner
233286

Place : Ernakulam
Date : 15.05.2020

BALANCE SHEET AS AT 31st MARCH, 2020

(All amount are Indian rupees, except share data and where otherwise stated)

Particulars	Notes	As at 31 st March, 2020 (₹)	As at 31 st March, 2019 (₹)
Assets			
Non-current assets			
Property, plant and equipment	3	8,385	14,985
Capital work-in-progress	3	-	-
Intangible assets		-	-
Financial Assets:			
Non-current Investments	4	25,000	25,000
Long term loans and advances	5	1,28,832	25,75,672
Other non-current financial assets	6	7,54,649	11,34,879
Other non-current assets	7	-	-
Total Non-current assets		9,16,866	37,50,536
Current assets			
Inventories	8	1,69,545	1,82,177
Financial Assets:			
Trade and other receivables	9	-	96,672
Cash and cash equivalents	10	21,26,284	18,39,552
Short term loans and advances	11	19,39,269	16,43,142
Other current financial assets	12	2,58,156	7,43,386
Prepayments	13	16,720	12,255
Other current assets	14	24,535	33,893
Total Current assets		45,34,510	45,51,077
Non-current asset held for sale	15	4,75,00,401	4,75,00,401
Total Assets		5,29,51,777	5,58,02,014
Equity and liabilities			
Equity			
Equity Share Capital	16	6,43,16,200	6,43,16,200
Other Equity	17		
Retained earnings		(16,46,88,381)	(16,18,33,703)
Reserves representing unrealised gains / losses		-	-
Other Reserves		13,18,432	13,18,432
Total Equity		(9,90,53,749)	(9,61,99,071)
Share application money pending allotment		-	-
Non-current liabilities			
Financial Liabilities			
Long term borrowings	18	15,10,00,000	15,10,00,000
Total non-current liabilities		15,10,00,000	15,10,00,000
Current liabilities			
Financial Liabilities			
Trade and other payables	19	8,13,614	7,95,810
Other current financial liabilities	20	1,40,686	1,40,686
Other current liabilities	21	51,226	64,589
Total current liabilities		10,05,526	10,01,085
Total equity and liabilities		5,29,51,777	5,58,02,014

Significant Accounting Policies and Notes on Accounts.
The notes referred to above form an integral part of
the Financial Statements.

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For and on behalf of the Board of Directors of Rado Tyres Limited

As per our report of even date

For G. Joseph & Associates
Chartered Accountants
(Firm Reg. No. 0063105)

Raphael Sharon
Partner
M No. 233286

Date : 15th May, 2020
Place : Ernakulam

Kamlesh R. Talekar
Manager

Geeta Bandekar
Company Secretary

John M. John
Director
DIN-584201

P. A. Krishnamoorthy
Director
DIN-2432816

Sanjay Bhatia
CFO

Date : 15th May, 2020
Place : Ernakulam

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	Notes	Year ended 31 st March, 2020 (₹)	Year ended 31 st March, 2019 (₹)
Revenue from operations	22	-	-
Other Income	23	2,59,947	14,30,337
Total Revenue		2,59,947	14,30,337
Expenses:			
Conversion / Job Work Expenses	24	-	-
Employee benefit expense	25	36	6,00,034
Finance costs	26	-	-
Depreciation and amortization expense	27	6,600	72,35,432
Impairment loss/write off on non current assets held for sale	28	-	74,290
Other expenses	29	31,07,989	82,31,522
Total Expenses		31,14,625	1,61,41,278
(Loss) before exceptional items and tax		(28,54,678)	(1,47,10,941)
Exceptional items	31	-	-
(Loss) before tax		(28,54,678)	(1,47,10,941)
Tax expense:			
Current tax		-	-
Deferred tax		-	-
(Loss) for the period		(28,54,678)	(1,47,10,941)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Actuarial gain/ (losses) for Gratuity		-	-
Total Comprehensive Income for the period (Comprising (Loss) and Other Comprehensive Income for the period)		(28,54,678)	(1,47,10,941)
Earnings per equity share :	30		
Basic		(0.18)	(0.91)
Diluted		(0.18)	(0.91)

Significant Accounting Policies and Notes on Accounts.
The notes referred to above form an integral part of
the Financial Statements.

1 - 34

For and on behalf of the Board of Directors of Rado Tyres Limited

As per our report of even date

For G. Joseph & Associates
Chartered Accountants
(Firm Reg. No. 0063105)

Raphael Sharon
Partner
M No. 233286

Kamlesh R. Talekar
Manager

Geeta Bandekar
Company Secretary

John M. John
Director
DIN-584201

P. A. Krishnamoorthy
Director
DIN-2432816

Sanjay Bhatia
CFO

Date : 15th May, 2020
Place : Ernakulam

Date : 15th May, 2020
Place : Ernakulam

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

(All amount are Indian rupees, except share data and where otherwise stated)

Particulars	Year ended 31 st March, 2020 (₹)	Year ended 31 st March, 2019 (₹)
Cash flows from operating activities		
Loss before taxation	(28,54,678)	(1,47,10,942)
Adjustments:		
Depreciation and amortisation	6,600	72,35,433
Impairment loss/write off of non current assets held for sale	-	74,290
Interest income	(2,59,947)	(11,57,374)
Writedown of consumable stores and spares	-	32,33,356
Accounts written off		
Provision no-longer required written-back	-	-
Operating cash flows before working capital changes	(31,08,025)	(53,25,237)
(Increase)/decrease in trade receivables	96,672	1,97,421
(Increase)/decrease in inventories	12,632	-
(Increase)/decrease in loans and advances	26,40,835	37,25,016
Increase/(decrease) in liabilities and provisions	4,441	(5,75,783)
Cash from operations	(3,53,444)	(19,78,584)
Net cash from operating activities (A)	(3,53,444)	(19,78,584)
Cash flows from investing activities		
Purchase of fixed assets	-	-
Proceeds from sale of fixed assets, net	-	-
Withdrawal of Margin Money Deposit	3,80,230	-
Interest received	2,59,947	11,57,374
Net cash used in investing activities (B)	6,40,177	11,57,374
Cash flows from financing activities		
12.5% Redeemable Cumulative Preference Shares	-	-
Repayment of borrowings, net	-	-
Interest paid	-	-
Net cash used in financing activities (C)	-	-
Net increase / (Decrease) in cash and cash equivalents (A+B+C)	2,86,733	(8,21,210)
Cash and cash equivalents at beginning of period	18,39,552	26,60,762
Cash and cash equivalents at end of the period (refer note 10)	21,26,285	18,39,552

Significant Accounting Policies and Notes on Accounts. 1 - 34

The notes referred to above form an integral part of the Financial Statements.

As per our report of even date

For G. Joseph & Associates
Chartered Accountants
(Firm Reg. No. 006310S)

Raphael Sharon
Partner
M No. 233286

Kamlesh R. Talekar
Manager

Geeta Bandekar
Company Secretary

For and on behalf of the Board of Directors of Rado Tyres Limited

John M. John
Director
DIN-584201

P. A. Krishnamoorthy
Director
DIN-2432816

Sanjay Bhatia
CFO

Date : 15th May, 2020
Place : Ernakulam

Date : 15th May, 2020
Place : Ernakulam

Statement of changes in equity for the Year ended 31st March, 2020

Amount in (₹)

Particulars	Issued & fully paid up capital	Share premium	Other capital reserves	Retained earnings	Cash flow hedge reserve	Available for sale reserve	Foreign currency translation reserve	Asset revaluation reserve	Total
As at 1st April, 2019	6,43,16,200	-	13,18,432	(16,18,33,703)	-	-	-	-	(9,61,99,071)
Loss for the period	-	-	-	(28,54,678)	-	-	-	-	(28,54,678)
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income	6,43,16,200	-	13,18,432	(16,46,88,381)	-	-	-	-	(9,90,53,749)
Issue of share capital	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-	-	-	-
As at 31st March, 2020	6,43,16,200	-	13,18,432	(16,46,88,381)	-	-	-	-	(9,90,53,749)

Statement of changes in equity for the Year ended 31st March, 2019

Particulars	Issued & fully paid up capital	Share premium	Other capital reserves	Retained earnings	Cash flow hedge reserve	Available-for- sale reserve	Foreign currency translation reserve	Asset revaluation reserve	Total
As at 1st April, 2018	6,43,16,200	-	13,18,432	(14,71,22,761)	-	-	-	-	(8,14,88,129)
Loss for the period	-	-	-	(1,47,10,942)	-	-	-	-	(1,47,10,942)
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income	6,43,16,200	-	13,18,432	(16,18,33,703)	-	-	-	-	(9,61,99,071)
Issue of share capital	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-	-	-	-
As at 31st March, 2019	6,43,16,200	-	13,18,432	(16,18,33,703)	-	-	-	-	(9,61,99,071)

NOTES FORMING PART TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

1. CORPORATE INFORMATION

Rado Tyres Limited is a public company incorporated in India under the provisions of the Companies Act. The Company was engaged in the business of an Automobile Tyre manufacturing based at Nellikuzhy near Kothamangalam.

As of 31st March, 2020, CEAT Limited holding 58.6%, Instant Holding Ltd holding 17% and Swallow Associates LLP (formerly RPG Cellular Investments & Holdings Pvt Ltd) holding 9.6% of Company's equity share capitals are the major Shareholders. The Registered office of Company is situated at Cochin, Kerala.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of accounting and preparation of financial statements:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The Board of Directors had taken all possible initiatives to revive the operations of the factory. Taking into account the Company's financial strain coupled with the technological advancement for the manufacture of 2/3 wheeler tyres, the Board had to come to the conclusion that it will not be viable to continue the business of manufacture of tyres in the Company's manufacturing facility located in Kothamangalam.

Consequent to suspension of the factory operations, the Board of Directors, at their meeting held on 20th November, 2018, decided to explore the options to dispose of the assets of the Company and to invite quotations from prospective buyers.

Accordingly, the financial statements have been prepared assuming the Company will not continue as a Going Concern. Consequently assets are stated at the cost or net realizable value whichever is lower. Liabilities have been stated at the values which they are payable.

Further, all assets which are available for sale have been reclassified under Non-Current Assets Held For Sale.

2. Impact of the outbreak of COVID-19 on financial statements

The outbreak of COVID -19 pandemic is causing significant disturbance and slowdown of economic activity. Though, the Board is not in a position to ascertain the possible impact on the market values of the assets held for sale in the prevailing uncertain market scenario, the management feels that it is unlikely to have a significant impact on the valuation of the assets and its ability to sell off these assets at prices which are higher than that stated in the financial statements.

3. Current versus non-current classification:

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

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent 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 current when:

- It is expected to be settled in normal operating cycle

- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

4. Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue from contracts priced on a time and material basis is recognised as services are rendered and as related costs are incurred.

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

5. Accounting for Government grants:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

6. Taxes

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the

underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

7. Non-current assets held for sale

The Company classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required for completing the sale/ distribution should indicate that it is unlikely that significant change to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet.

Property, plant and equipment once classified as held for sale/ distribution to owners are not depreciated or amortised.

8. Property, plant and equipment

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset Class	Useful life
Buildings	50 years - 60 years
Plant & Machinery	15 years - 20 years
Moulds	6 years
Computers	3 years
Furniture & Fixtures	10 years
Office Equipment	5 years
Motor Vehicles	8 years
Carpeted Roads- RCC	10 years
Computer Servers	6 years
Electrical Installations	20 years
Hand Carts, Trolleys	15 years

The management has estimated, supported by independent assessment by professional, the useful lives of the following class of assets.

- Factory buildings - 50 years (Lower than those indicated in Schedule II of the Companies Act, 2013)
- Plant & Machinery – 20 years (Higher than those indicated in Schedule II of the Companies Act, 2013)
- Electrical Installations – 20 years (Higher than those indicated in Schedule II of the Companies Act, 2013)

The management believes that the depreciation rates fairly reflect its estimation of the useful lives and residual values of the fixed assets.

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

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.

Accelerated depreciation has been provided for assets which have been exhausted due to higher wear and tear before completion of their useful life.

9. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets are amortised on straight line method as under:

- Software expenditure have been amortised over a period of three years.
- Technical Know-how and Brands are amortised over a period of twenty years.

Research and development costs:

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

10. Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of

the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

To the extent that the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings.

To the extent that the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

11. Inventories:

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
- Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.
- Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

12. Impairment of non-financial assets:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

13. Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

14. Retirement and other employee benefits:

Defined Contribution plan

Retirement benefit in the form of provident fund, Superannuation, Employees State Insurance Contribution and Labour Welfare fund are defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plan

The Company provides for retirement benefit in the form of gratuity. The Company's liability towards this benefit is determined on the basis of actuarial valuation using Projected Unit Credit Method at the date of balance sheet.

Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurement is not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit and this is shown under short term provision in the Balance Sheet. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes and this is shown under long term provisions in the Balance Sheet. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the leave as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Termination benefits

The Company recognizes termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefit falls due for more than 12 months after the balance sheet date, they are measured at present value of the future cash flows using the discount rate determined by reference to market yields at the balance sheet date on the government bonds.

15. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets 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.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business 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.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different

terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

16. Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

17. Earnings per share:

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the quarter attributable to equity holders by the weighted average number of equity shares outstanding during the quarter.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the quarter plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

18. Significant accounting judgments, estimates and assumptions

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the Company's domicile.

b) Defined benefit plans (gratuity benefits)

The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

c) Fair value measurement of financial instruments

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 value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

19. Related party transactions:

Refer Note 33 regarding details of related party transactions.

20. Post-retirements benefit plan:**Defined Contribution plan**

The Company has recognised and included in Note No.25 "Contribution to Provident and other funds" expenses towards the defined contribution plan as under:

Particulars	Period ended 31 st March, 2020	Period ended 31 st March, 2019
Contribution to Provident fund (Government)	Nil	Nil

Defined Benefit plan – Gratuity

The Company had a defined benefit gratuity plan which was funded with an Insurance company in the form of qualifying Insurance policy. This gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed five years of service gets a gratuity on separation @ 15 days of last drawn salary for each completed year of service.

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

Asset	Gross Block at Cost					Depreciation					Net Block	
	As at April 1, 2019	Additions	Disposals	Reclassified to : Non Current assets held for sale	As at March 31, 2020	As at April 1, 2019	For the Year	Disposals	Reclassified to : Non Current assets held for sale	As at March 31, 2020	As at March 31, 2020	As at April 1, 2019
Furniture and Fixtures	1	-	-	-	1	-	-	-	-	-	1	1
Office equipments	79,488	-	-	-	79,488	64,504	6,600	-	-	71,104	8,384	14,984
Total	79,489	-	-	-	79,489	64,504	6,600	-	-	71,104	8,385	14,985
Previous year	6,46,13,430	-	-	6,45,33,941	79,489	97,88,321	72,35,432	-	1,69,59,249	64,504	14,985	5,48,25,109

Details of fixed assets reclassified to current assets held for sale:

Asset	Gross Block	Net Block
Freehold land and building	-	-
Plant and Machinery (Owned)	-	-
Total	-	-
Previous year	6,45,33,941	4,75,74,691

NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

Particulars	As at 31 st March, 2020 (₹)	As at 31 st March, 2019 (₹)
4. NON-CURRENT INVESTMENTS		
Unquoted Non - Trade Investments (at Cost)		
a. National Saving Certificates VIII issue (Pledged as security for Sales Tax purpose)	15,000	15,000
b. 1,000 Shares of Rs.10 each in Rado Employees Cooperative Society	10,000	10,000
Total	25,000	25,000
5. LONG-TERM LOANS AND ADVANCES		
Unsecured, considered good:		
Security Deposits	1,28,832	25,75,672
Total	1,28,832	25,75,672
6. OTHER NON-CURRENT FINANCIAL ASSETS		
Unsecured, considered good:		
Margin Money Deposits	7,54,649	11,34,879
Total	7,54,649	11,34,879
Margin Money Deposit		
- Held as Security for Bank Guarantee	7,54,649	5,64,069
- Held as Security for Bank Guarantee - KSEB	-	5,70,810
Total	7,54,649	11,34,879
7. OTHER NON-CURRENT ASSETS		
Capital advances	-	-
Total	-	-
8. INVENTORIES		
Stores and Spares	1,69,545	1,82,177
Total	1,69,545	1,82,177
INVENTORIES (Valued at cost or net realizable value whichever is lower)		
Diesel stock	9,474	22,106
Stores & spares	1,60,071	1,60,071
Total	1,69,545	1,82,177
9. TRADE AND OTHER RECEIVABLES		
Debts Outstanding for a period exceeding 6 months from the date they are due for payment :		
Unsecured, considered good (Related Party: CEAT Ltd)	-	96,672

NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

Particulars	As at 31 st March, 2020 (₹)	As at 31 st March, 2019 (₹)
Other Debts - Unsecured, considered good (Related Party: CEAT Ltd)	-	-
Total	-	96,672
10. CASH AND CASH EQUIVALENTS		
Balances with Banks		
In current Accounts	1,24,793	2,76,307
Fixed Deposits	20,00,000	15,58,251
Cash on hand	1,491	4,994
Total	21,26,284	18,39,552
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:		
Balances with Banks		
On current Accounts	1,24,793	2,76,307
Fixed Deposits	20,00,000	15,58,251
Cash on hand	1,491	4,994
Total	21,26,284	18,39,552
11. SHORT TERM LOANS AND ADVANCES		
Unsecured, Considered Good:		
Balance with Statutory and Government authorities	11,14,175	8,18,048
Other receivables	8,25,094	8,25,094
Total	19,39,269	16,43,142
12. OTHER CURRENT FINANCIAL ASSETS		
Interest Receivable	1,37,061	6,35,880
Other Receivables	1,21,095	1,07,506
Total	2,58,156	7,43,386
Break up of financial assets carried at amortised cost		
Non-current Investments (Note 4)	25,000	25,000
Long term loans and advances (Note 5)	1,28,832	25,75,672
Other non-current financial assets (Note 6)	7,54,649	11,34,879
Trade and other receivables (Note 9)	-	96,672
Cash and cash equivalents (Note 10)	21,26,284	18,39,552
Short term loans and advances (Note 11)	19,39,269	16,43,142

NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

Particulars	As at 31 st March, 2020 (₹)	As at 31 st March, 2019 (₹)
Other current financial assets (Note 12)	2,58,156	7,43,386
Total	52,32,190	80,58,303
13. PREPAYMENTS		
Prepayments	16,720	12,255
Total	16,720	12,255
14. OTHER CURRENT ASSETS		
Advance Receivable in Cash or Kind or for Value to be Received	24,535	33,893
Total	24,535	33,893
15. NON-CURRENT ASSET HELD FOR SALE		
Freehold land and building	2,26,32,936	2,26,32,936
Plant and Machinery (Owned)	2,49,41,756	2,49,41,756
Less: Impairment loss/write off on Plant and Machinery#	(74,290)	(74,290)
Total	4,75,00,401	4,75,00,401
Basis of classification:		
<p>“During the year 2018-19 the Company had received the order from Labour & Skills (A) Department, Government of Kerala, granting permission under the Industrial Dispute Act, 1947 to close the Factory located at Nellikuzhi, near Kothamangalam. In the opinion of the management there were no further business opportunities for the Company to explore. On the basis of the above the Board has decided that the most appropriate course of action for the Company is to sell its assets such as plant and machinery, land, equipment, spares and such other assets located at its factory near Kothamangalam. The process to obtain quotation have also been initiated by the Board and they expect the sale to be concluded soon.”</p> <p>Given these circumstances the Board had reclassified the above assets from Property, Plant and Equipments to the head Non-Current assets held for sale in the year 2018-19.</p> <p># In the year 2018-19, the management decided to write off the value of assets which were physically unavailable at the factory premises</p>		
16. EQUITY SHARE CAPITAL		
a. Authorised Shares		
2,25,00,000 Equity Shares of Rs.4/- each	9,00,00,000	9,00,00,000
17,00,000 , 12.5% Redeemable Cumulative Preference Shares of Rs. 100 each	17,00,00,000	17,00,00,000
	26,00,00,000	26,00,00,000
b. Issued, Subscribed and fully Paid up shares		
1,60,79,050 Equity Shares of Rs.4/- each, fully paid up	6,43,16,200	6,43,16,200
“15,10,000, 12.5% Redeemable Cumulative Preference Shares of Rs. 100 each, fully paid up”	15,10,00,000	15,10,00,000
“Less: 15,10,000 , 12.5% Redeemable Cumulative Preference Shares of Rs. 100 each, fully paid up” (Reclassified under Financial Liability. Refer Note.18)	(15,10,00,000)	(15,10,00,000)
Total	6,43,16,200	6,43,16,200

NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

Sl. No.	Particulars	As at 31 st March, 2020 (₹)		As at 31 st March, 2019 (₹)	
c.	Reconciliation of Equity shares outstanding at the beginning and at the end of the reporting period				
	Particulars	As at 31-03-2020		As at 31-03-2019	
		No. of shares	Amount (₹)	No. of shares	Amount (₹)
	At the beginning of the period	1,60,79,050	6,43,16,200	1,60,79,050	6,43,16,200
	During the period:				
	Add: Shares issued / Shares bought	-	-	-	-
Outstanding at the end of the period	1,60,79,050	6,43,16,200	1,60,79,050	6,43,16,200	
d.	Terms/rights attached to equity shares				
	**Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company.				
	* The Company has only one class of shares referred to as equity shares having a par value of Rs.4. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time after subject to of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On the account of liquidation of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held."				
e.	"(i) The Company has not issued shares for consideration other than cash during the period of five years immediately preceding the reporting date.				
	(ii) The Company has not reserved shares for issue under options and contracts/commitments for the sale of shares/ disinvestment.				
	(iii) The Company has not declared dividend to its equity shareholders."				

f. Details of shareholder's holding more than 5% Equity shares in the company					
Shareholders	As at 31-03-2020		As at 31-03-2019		
	No. of shares	% of holdings	No. of shares	% of holdings	
1. Shares held by CEAT LTD	94,16,350	58.56%	94,16,350	58.56%	
2. Shares held by Instant Holdings LTD	27,45,310	17.07%	27,45,310	17.07%	
3. Shares held by Swallo Associates LLP (formerly RPG Cellular Investments & Holdings Pvt Ltd)	15,44,240	9.60%	15,44,240	9.60%	

NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

Sl. No.	Particulars	As at 31 st March, 2020 (₹)	As at 31 st March, 2019 (₹)
17. OTHER EQUITY			
	Retained Earnings:		
	Deficit in the Statement of Profit and Loss		
	Balance as per last financial statements	(16,18,33,703)	(14,71,22,761)
	Add: Loss for the period	(28,54,678)	(1,47,10,942)
	Amount available for appropriation		
	Less: Appropriations	-	-
	Total	(16,46,88,381)	(16,18,33,703)
	Other Reserves:		
	Capital Reserve		
	Balance in Central & State Investment Subsidy Reserve,		
	At the beginning of the period	13,18,432	13,18,432
	During the period	-	-
		13,18,432	13,18,432
	Total	(16,33,69,949)	(16,05,15,271)
18. LONG TERM BORROWINGS			
	Non-current portion		
	Preference Share Capital		
	15,10,000 , 12.5% Redeemable Cumulative Preference Shares of Rs. 100 each, fully paid up	15,10,00,000	15,10,00,000
	Total	15,10,00,000	15,10,00,000
Note on Preference Share Capital:			
Reconciliation of 12.5% Redeemable Cumulative Preference Shares outstanding at the beginning and at the end of the reporting period			
		No. of Shares	Amount in (₹)
	At the beginning of the period	15,10,000	15,10,00,000
	During the period:		
	Add: Shares issued / Shares bought	-	-
	Outstanding at the end of the period	15,10,000	15,10,00,000
	At the beginning of the period	15,10,000	15,10,00,000
	During the period:		
	Add: Shares issued / Shares bought	-	-
	Outstanding at the end of the period	15,10,000	15,10,00,000

NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

Sl. No.	Particulars	As at 31 st March, 2020 (₹)	As at 31 st March, 2019 (₹)
Terms/rights attached to 12.5% Redeemable Cumulative Preference Shares			
<p>“* Preference Shares carry preferential (cumulative) right to dividend, at the coupon rate (i.e. the rate of dividend) 12.50%, when declared.</p> <p>* The dividend shall be calculated pro rata i.e. from the date of allotment(s) of such Preference Shares.</p> <p>* The Preference Shares do not carry any voting rights except in case of any resolution placed before the Company which directly affects the rights attached to such shares or otherwise provided in the Companies Act, 2013.</p> <p>* The Preference Shares have a maximum redemption period of 20 years. However, the same may be redeemed fully or in such tranches, before the aforesaid period, at discretion of the Board. Only fully paid up Preference Shares shall be redeemed.</p> <p>* The Preference Shares shall be redeemed at par as per applicable and available mode of redemption.</p> <p>* The Preference Shares shall not be listed in any Stock Exchange in India or outside India”</p>			
19. TRADE AND OTHER PAYABLES			
	Amount payable to related party	77,086	-
	Other trade payables	7,36,529	7,95,810
	Total	8,13,614	7,95,810
The details of amount outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:			
	Principal amount due and remaining unpaid	-	-
	Interest due on above and the unpaid interest	-	-
	Interest paid	-	-
	Payment made beyond the appointed day during the year	-	-
	Interest due and payable for the period of delay	-	-
	Interest accrued and remaining unpaid	-	-
	Amount of further interest remaining unpaid due and payable in succeeding years	-	-
		-	-
20. OTHER CURRENT FINANCIAL LIABILITIES			
	Other current financial liabilities at amortised cost:		
	Current maturities of long-term debt	-	-
	Payable to capital vendors	1,40,686	1,40,686
	Total	1,40,686	1,40,686
Break up of financial liabilities carried at amortised cost			
	Borrowings (non-current) (note 18)	15,10,00,000	15,10,00,000
	Other financial liabilities (current) (note 20)	1,40,686	1,40,686
	Trade payables (note 19)	8,13,614	7,95,810
	Total	15,19,54,300	15,19,36,496
21. OTHER CURRENT LIABILITIES			
	Dues to employees	49,240	49,240
	Statutory dues	1,986	15,349
	Total	51,226	64,589

**NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31st MARCH, 2020**

Amount in (₹)

Sl. No:	Particulars	Year ended 31 st March, 2020	Year ended 31 st March 2019
22. REVENUE FROM OPERATIONS			
a.	Sale of Services		
	Conversion Charges	-	-
	Total	-	-
23. OTHER INCOME			
a.	Interest Income		
i.	Bank Deposits		
	Interest on Bank and Security Deposit	2,57,989	5,30,045
	Interest on Income Tax Refund	1,958	6,27,329
	Total	2,59,947	11,57,374
b.	Other non- operating income		
	Excess provision reversed	-	20,780
	Other income	-	35,660
		-	2,72,963
	Total	2,59,947	14,30,337
24. CONVERSION/JOB WORK EXPENSES			
a.	Stores and Spares Consumed	-	-
b.	Outside Mixing Charges	-	-
c.	Power and Fuel	-	-
d.	Repairs to Machinery	-	-
e.	Factory Expenses	-	-
	Total	-	-
25. EMPLOYEES BENEFITS EXPENSE			
a.	Salaries, Wages and Bonus*	36	5,04,907
b.	Contribution to Provident and other Funds	-	-
c.	Gratuity Expenses*	-	95,127
d.	Staff Welfare Expenses	-	-
	Total	36	6,00,034
* For year 2018-19 consists of salary of Rs. 5,04,873/- and Gratuity Rs. 95,127/- paid to employees as final out of court settlement of their dues.			
26. FINANCE COSTS			
a.	Interest Expenses	-	-
	Total	-	-

**NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31st MARCH, 2020**

Amount in (₹)

Sl. No:	Particulars	Year ended 31 st March, 2020	Year ended 31 st March 2019
27. DEPRECIATION AND AMORTIZATION EXPENSES			
a.	Depreciation on Property, Plant and Equipment*	6,600	72,35,432
	Total	6,600	72,35,432
* In the year 2018-19 accelerated depreciation has been provided for assets which have been exhausted due to higher wear and tear before completion of their useful life. Accelerated depreciation of Rs. 56,56,526 has been provided on Plant and Machinery and Rs. 9,835 on Office equipments.			
28. IMPAIRMENT LOSS/WRITE OFF ON NON CURRENT ASSETS HELD FOR SALE			
a.	Impairment loss/write off on plant and machinery	-	74,290
	Total	-	74,290
29. OTHER EXPENSES			
a.	Rent Paid	1,03,504	1,03,500
b.	Travelling and Conveyance Expenses	28,437	77,001
c.	Fees, Rates & Taxes	81,416	2,13,495
d.	Insurance Charges	65,600	65,726
e.	Postage, Telephone and stationery	2,39,803	2,38,204
f.	Audit Fees/Expenses	1,30,000	1,30,000
g.	Consultancy & Legal expenses	3,37,817	6,55,729
h.	Security Charges	10,17,058	10,25,721
i.	Office Expenses	89,387	91,870
j.	Water Charges	1,670	2,434
k.	AGM, Meetings & Directors Sitting Fees	1,51,638	1,87,500
l.	Food Expenses	16,661	49,985
m.	Bank Charges	2,920	5,722
n.	Repairs and maintenance - Buildings	9,452	42,400
o.	Repairs and maintenance - electrical	10,130	1,82,174
p.	Repairs and maintenance - Machinery	-	47,550
q.	Write down of consumable stores and spares#	-	32,33,356
r.	Advertisement Charges	3,85,700	1,34,200
s.	Accounts written off	6,197	57,160
t.	Power and Fuel	4,04,072	16,46,606
u.	Miscellaneous Expenses	26,528	41,190
	Total	31,07,989	82,31,522
# During the financial year 2018-19 the management had decided to write down the value of stock of stores and other consumables and thereby retaining only the scrap value which they expect to realize from the sale of such items.			

**NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31st MARCH, 2020**

Amount in (₹)

Sl. No:	Particulars	Year ended 31 st March, 2020	Year ended 31 st March, 2019
	Payments to the auditor:		
a	As auditor		
	Statutory audit	65,000	65,000
	Taxation	20,000	20,000
	Limited review	45,000	45,000
	Total	1,30,000	1,30,000
30. EARNINGS PER SHARE			
a.	Net Loss as per Statement of Profit and Loss	(28,54,678)	(1,47,10,942)
b.	Loss available to Equity Share holders	(28,54,678)	(1,47,10,942)
c.	No. of equity Shares at year end	1,60,79,050	1,60,79,050
d.	Basic Earning Per Share	(0.18)	(0.91)
e.	Diluted Earning Per Share	(0.18)	(0.91)
f.	Face Value per Equity Share	4.00	4.00
31. EXCEPTIONAL ITEMS			
		-	-
32. CAPITAL MANAGEMENT			
a.	Non current Borrowings	15,10,00,000	15,10,00,000
b.	Current Borrowings	-	-
c.	Trade payables (Note 19)	(8,13,614)	(7,95,810)
d.	Less: cash and cash equivalents	21,26,284	18,39,552
e.	Net debt	15,23,12,670	15,20,43,742
f.	Total equity capital	6,43,16,200	6,43,16,200
g.	Capital and net debt	21,66,28,870	21,63,59,942
h.	Gearing ratio	70.31%	70.27%
33. RELATED PARTY DISCLOSURE			
Details of related parties with whom transactions have taken place during the year:			
	Description of relationship	Names of related parties	
a.	Holding company(Parent)	CEAT Limited	
b.	Director	Mr. V.V. Augustine	
c.	Director	Mr. John M John	
d.	Director	Mr. P. A. Krishnamoorthy	
e.	Director	Mr. V. Venugopal	
f.	Director	Mr. Dilip Modak	
g.	Director	Mr. Tom K Thomas	
h.	Director	Dr. C. K . Balan	

**NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31st MARCH, 2020**

(In Lakhs)

Sl. No:	Particulars	Name of Related Party	Year ended 31 st March, 2020	Year ended 31 st March, 2019
a.	Transactions			
i.	Conversion charges received	CEAT Limited	-	0.41
ii.	Directors sitting fees paid	Mr. V.V. Augustine	0.17	0.30
iii.	Directors sitting fees paid	Mr. John M John	0.20	0.30
iv.	Directors sitting fees paid	Mr. P. A. Krishnamoorthy	0.25	0.25
v.	Directors sitting fees paid	Mr. V. Venugopal	0.23	0.30
vi.	Directors sitting fees paid	Mr. Dilip Modak	0.10	0.20
vii.	Directors sitting fees paid	Mr. Tom K Thomas	0.05	0.05
viii.	Directors sitting fees paid	Dr. C.K. Balan	0.20	0.20
	Total		1.20	2.01
b.	Amount (due to)/from related parties			
	Unsecured loan	CEAT Limited	-	-
i.	12.5% Redeemable cumulative preference shares	CEAT Limited	(1,510.00)	(1,510.00)
ii.	Debtors/Receivables	CEAT Limited	-	0.97
iii.	Creditors/Advance	CEAT Limited	(0.77)	-
NOTE - 34 CONTINGENT LIABILITIES				
	Description		As at 31 st March 2020 (₹)	As at 31 st March 2019 (₹)
i.	Dividend on 12.5% cumulative redeemable preference shares in arrears		5,64,16,781	3,74,90,068

Significant Accounting Policies and Notes on Accounts.
The notes referred to above form an integral part of
the Financial Statements.

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For and on behalf of the Board of Directors of Rado Tyres Limited

As per our report of even date

For G. Joseph & Associates
Chartered Accountants
(Firm Reg. No. 006310S)

Raphael Sharon
Partner
M No. 233286

Kamlesh R. Talekar
Manager

Geeta Bandekar
Company Secretary

John M. John
Director
DIN-584201

P. A. Krishnamoorthy
Director
DIN-2432816

Sanjay Bhatia
CFO

Date : 15th May, 2020
Place : Ernakulam

Date : 15th May, 2020
Place : Ernakulam

RADO TYRES LIMITED

Building No. 39/3b, 3b1, Opp. Krishna Hospital,
Chittoor Road, Cochin -11, Kerala, India.

CIN : U25111KL1986PLC004449