

MYSORE STONEWARE PIPES AND POTTERIES LIMITED

Regd. Office: No. 452, 11th Cross, 6th Main, Sadashivanagar,
Bangalore - 560080, Karnataka

ANNUAL REPORT

Estd. 1937

83
YEARS

2019-20



Founder

Late Sri R. Vyasa Rao

1881-1958

CORPORATE IDENTIFICATION NUMBER

U26913KA1937PLC000197

REGISTERED OFFICE

No. 452, 11th Cross, 6th Main, Sadashivanagar,
Bangalore - 560080, Karnataka, India

CONTACT DETAILS

Email: msppoffice@gmail.com

Phone No.: +91 80 23614696; Fax: +91 80 23614697

Website: <http://mysorestonewarepipes.in/>

DIRECTORS

Mr. Nanjappaiah Madgondapalli Ramu, Chairman
Mr. Hosahally Nanjaiah Shivananjaiah, Executive Director
Mr. Rajiv Harshavardhan Ramahalli, Executive Director
Mr. Sanjay Jayatsen, Director
Mr. Casiker Vivekanand, Director
Mr. Mysore Manjanathasetty Sampathkumar, Director

AUDITORS

M/s Nityananda & Co. (FRN: 012595S)

BANKERS

Corporation Bank, SC Road Branch
Corporation Bank, Chikkabanawara Branch
Canara Bank, Mahalakshmi Layout Branch
ICICI Bank, Sadashivanagar Branch
State Bank of India, Malagala Road Branch
Kotak Mahindra Bank, Lavelle Road Branch

MYSORE STONEWARE PIPES AND POTTERIES LIMITED

Registered office: No. 452, 11th Cross, 6th Main, Sadashivanagar, Bangalore - 560080, Karnataka

Corporate Identification Number: U26913KA1937PLC000197, Email Id : msppoffice@gmail.com

Phone no.: 080-23614696, Fax: 080-23614697, Website: www.mysorestonewarepipes.in

NOTICE

To,
The Members,

NOTICE IS HEREBY GIVEN THAT the 83rd Annual General Meeting (AGM) of the members of **Mysore Stoneware Pipes and Potteries Limited** will be held on Wednesday, the 23rd day of December 2020, at 11.00 A.M. (IST), through video conferencing, to transact the following Business:

The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated at No. 452, 11th Cross, 6th Main, Sadashivanagar, Bangalore - 560080, Karnataka.

ORDINARY BUSINESS:

1. ADOPTION OF FINANCIAL STATEMENTS:

To receive, consider and adopt audited Financial Statements, for the financial year (1st April, 2019 to 31st March, 2020), the report of Statutory Auditors and the report of the Board of Directors (Board's Report) thereon.

2. DECLARATION OF DIVIDEND:

To declare a final dividend of 620% (Six Hundred Twenty Percent), i.e., Rs. 62 /- (Rupees Sixty-Two Only) per fully paid-up equity share, amounting to Rs. 4,58,30,400/- (Rupees Four Crore Fifty-Eight Lakh Thirty Thousand Four Hundred Only).

3. APPOINTMENT OF DIRECTOR:

To appoint a Director in place of Mr. Casiker Vivekanand (DIN: 00822219), who retires by rotation and being eligible, offers himself for reappointment.

4. APPOINTMENT OF DIRECTOR:

To appoint a Director in place of Mr. Sanjay Jayatsen (DIN: 02285192), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

5. REAPPOINTMENT OF MR. HOSAHALLI NANJIAH SHIVANANJIAH AS EXECUTIVE (WHOLE-TIME) DIRECTOR:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution;

“RESOLVED THAT pursuant to provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, (“Act”), as amended or re-enacted from time to time, read with Schedule V of the Act and Articles of Association of the Company, the Company hereby approves the reappointment of Mr. Hosahalli Nanjaiah Shivananjaiah (DIN 02368798) as Executive Director (Whole-time Director) of the Company, for a period of five years, with effect from September 17, 2020, with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment, in such manner as may be agreed to between the Board of Directors and Mr. Hosahalli Nanjaiah Shivananjaiah.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

6. APPROVAL OF REMUNERATION PAYABLE TO MR. HOSAHALLI NANJIAH SHIVANANJIAH:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution;

“RESOLVED THAT pursuant to provisions of Section 197 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Company hereby approve to pay a remuneration/emoluments up to Rs. 2,50,000/- (Rupees Two lakhs Fifty Thousand Only) inclusive of allowances and perquisites, per month, effective from September 17, 2020, for a period not exceeding five years, to Mr. Shivananjaiah Hosahally Nanjaiah, Executive Director (Whole-time Director).

RESOLVED FURTHER THAT Board be and is hereby authorized to do all such acts, deeds and things as may be necessary, proper, expedient and incidental thereto, to give effect to the resolution.”

7. REAPPOINTMENT OF MR. RAJIV HARSHAVARDHAN RAMAHALLI AS EXECUTIVE (WHOLE-TIME) DIRECTOR:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution;

“RESOLVED THAT pursuant to provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, (“Act”), as amended or re-enacted from time to time, read with Schedule V of the Act and Articles of Association of the Company, the Company hereby approves the reappointment of Mr. Rajiv Harshavardhan Ramahalli (DIN 00473445) as Executive Director (Whole-time Director) of

the Company for a period of five years with effect from September 17, 2020 with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Rajiv Harshavardhan Ramahalli.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

8. APPROVAL OF REMUNERATION PAYABLE TO MR. RAJIV HARSHAVARDHAN RAMAHALLI:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution;

“**RESOLVED THAT** pursuant to provisions of Section 197 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Company hereby approve to pay a remuneration/emoluments up to Rs. 2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) inclusive of allowances and perquisites, per month, effective from September 17, 2020, for a period not exceeding five years, to Mr. Rajiv Harshavardhan Ramahalli, Executive Director (Whole-time Director).

RESOLVED FURTHER THAT Board be and is hereby authorized to do all such acts, deeds and things as may be necessary, proper, expedient and incidental thereto, to give effect to the resolution.”

By Order of the Board
For **Mysore Stoneware Pipes and Potteries Limited**

Nanjappaiah Madgondapalli Ramu
(Chairman, DIN: 07268616)
No. 423, 5th C Cross, 4th Main, Near Giriyas,
2nd Block, Bangalore- 560043, Karnataka, India.

Place: Bangalore

Date:12-11-2020

NOTES:

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and the Circulars issued by the Ministry of Corporate Affairs ("MCA") dated April 08, 2020, April 13, 2020, May 05, 2020, June 15, 2020, and September 28, 2020, the Company is providing facility of e-voting to its Members, in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by the members using remote e-voting as well as venue voting system on the date of the Annual General Meeting ("AGM") will be provided by CDSL.

2. In view of the outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and MCA has vide its General Circular No. 20/2020 dated 5th May, 2020, read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 22/2020 dated June 15, 2020, and Circular No. 33/2020 dated September 28, 2020 (collectively referred to as "said Circulars") permitted the holding of the AGM through Video Conferencing (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Shareholders at a common venue. Accordingly, in compliance with the applicable provisions of the Companies Act, 2013 ("Act") read with the said Circulars, the Company has decided to convene its ensuing 83rd AGM through VC/OAVM and the members can attend and participate in the ensuing AGM through VC/OAVM.

3. As per the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since the 83rd AGM is being held through VC as per the MCA Circulars, physical attendance of Members has been dispensed with, pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 83rd AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting, by following the procedure mentioned in the Notice.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

6. Members are required to notify immediately, changes if any, in their address, to the Registered Office of the Company.

7. Members are requested to register their E-mail ID with the company to enable the company to send all communications including notice of the meetings electronically.

8. The members, holding shares in physical form, are requested to intimate any change in their addresses or bank details to the Company's Registrar and Transfer Agent - BgSE Financials Limited, Stock Exchange Towers, No.51, 1st Cross, J.C. Road, Bangalore- 560027. Ph. No. 080 41329661. E-mail: cs_rta@bfsi.co.in or avp_rta@bfsi.co.in. Those holding shares in dematerialized form may intimate any change in their addresses or bank details/mandates, to the concerned Depository Participants.

9. As per Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, the shares of the company should be held in DEMAT form. The ISIN of the company is INE489N01010, members are requested to DEMAT the physical shares.

10. On account of threat posed by COVID-19 pandemic situation, the company is sending AGM Notice in electronic form which is in consonance with the General Circular No. 17/2020, issued by MCA, dated April 13, 2020.

The Process of obtaining AGM notice, for those members, whose email IDs are not registered is as detailed below:

(i) The members who have not registered their email address and in consequence the e-voting notice could not be serviced, may get their email address registered with the Company by sending an email at - **msppoffice@gmail.com**. In case of any queries, members may write to – BgSE Financials Limited, Stock Exchange Towers, No.51, 1st Cross, J. C. Road, Bangalore- 560027. Ph. No. 080 41329661, **E- mail:** cs_rta@bfsi.co.in or avp_rta@bfsi.co.in;

(ii) It is clarified that for permanent registration of email address, members are requested to register their email addresses, in respect of electronic holdings, with their concerned Depository Participants and in respect of physical holdings, with the Company / Registrar and Share Transfer Agent, BgSE Financials Limited;

(iii) Those members who have already registered their email addresses are requested to keep their email addresses validated with their Depository Participants/ the Company and company's Registrar and Share Transfer Agent, BgSE Financials Limited, to enable servicing of notices/ documents/ Annual Reports, electronically.

11. The Board has appointed Mr. Hari G.R., Practicing Company Secretary, (Membership No. 7602, Certificate of Practice No. 8087) to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.

12. In terms of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read together with the Companies (Management and Administration) Rules, 2014, as amended from time to time, the company is pleased to offer remote e-voting facility to all the members of the company. The company has engaged services of Central Depository Services (India) limited, as its agency for providing or facilitating e-voting.

13. **E-voting cut-off date:** The members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). The remote e-voting period will commence at 9:00 A.M.

(IST) on Sunday, 20th December 2020 and will end at 5.00 P.M. (IST) on Tuesday, 22nd December 2020. The remote e-voting module shall be disabled by CDSL for voting thereafter.

14. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, 11th December 2020, are entitled to vote on the Resolution, set forth in this notice.

15. Members joining the meeting through VC/OAVM, who have not cast their votes by remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC/OAVM, but shall not be entitled to cast their votes again.

16. The Members desiring to vote through electronic mode/ remote e-voting may refer to the detailed procedure on e-voting given hereinunder:

PROCEDURE FOR E-VOTING: -

I. The Company has entered into an agreement with CDSL, for facilitating e-voting for the AGM.

- (i.) The voting period begins on Sunday 20th December 2020 at 9:00 A.M. (IST) and ends on Tuesday 22nd December 2020 at 05:00 P.M. (IST) During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, 11th December 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, will not be entitled to vote at the meeting.
- (iii) The members should log on to the e-voting website www.evotingindia.com
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. 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 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	<p>Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> · Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker /mail) in the PAN field. · In case the Folio Number is less than 8 digits enter the applicable number of leading Zeroes (0's) before the number after the first two characters of the name in CAPITAL letters. <i>E.g. If your name is Ramesh Kumar with folio number 001 then enter RA0000001 in the PAN field.</i>
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> · If both the details are not recorded with the depository or company, please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (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 also is to be 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 **THE MYSORE STONEWARE PIPES AND POTTERIES 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 & enter the details as prompted by the system.
- (xix) Members can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m- Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

17. THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ON THE DAY OF THE AGM ON e-VOTING SYSTEM ARE AS UNDER: -

- (i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- (ii) Only those Members/ shareholders, who will be present in the 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 in the AGM.
- (iii) If any Votes are cast by the members through the e-voting available during the 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 participating in the meeting.
- (iv) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

18. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VIDEO CONFERENCING ARE AS UNDER:

- i. Member will be provided with a facility to attend the 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 Video Conferencing 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 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 may send their request 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at msppoffice@gmail.com .
- vi. Members who would like to express their views/have questions may send their questions in advance 10 days prior to meeting mentioning their name demat account number/folio number, email id, mobile number at msppoffice@gmail.com . The same will be replied by the company suitably.
- vii. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

19. Note for Non-Individual Members and Custodians:

- (i) Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- (ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- (iii) 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.

- (iv) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

20. 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.

21. The following person shall be responsible to address grievances concerned with facility for remote e-voting: Contact Name –Mr. Nagesh Rao R, RTA, Address – Stock Exchange Tower, 51, 1st Cross, J.C. Road, Bangalore-560027, Tele: 080-41329661/66673353, Mob: +91 7760968051, Email id - avp_rta@bfsi.co.in.

22. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date.

23. Any person, who acquires shares of the Company and becomes the member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e., Friday, 11th day of December 2020, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com.

24. 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 shall be entitled to avail the facility of remote e-voting. A person who is not a member as on the cut-off date should take this notice for information purpose only.
25. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company <http://mysorestonewarepipes.in/> and on the website of CDSL immediately after the declaration of result by the Chairman/any of the directors of the company or a person authorized in writing.
26. The Register of Members and Share Transfer & Transmission Registers of the Company will remain closed from 11th day of December 2020 to 23rd day of December 2020 (both days inclusive).
27. Statement pursuant to provisions of Section 102 (1) of the Companies Act, 2013, in respect of items of Special Business to be transacted at the meeting, is annexed to the notice.

STATEMENT PURSUANT TO SECTION 102 (1)

Item No. 5

Mr. Hosahalli Nanjaiah Shivananjaiah was appointed as Executive Director on 17th September 2015, for a term of five years. His tenure has ended on 16th September 2020. The Board at its meeting held on 24th July, 2020, recommended his reappointment to the members, for a further period of five years. Hence, this resolution is placed before the members for approval.

Apart from Mr. Hosahalli Nanjaiah Shivananjaiah and his relatives, none of the other directors, key managerial personnel or their relatives are interested in the resolution.

Item No. 6

The Board at its meeting held on 24th July, 2020 recommended the reappointment of Mr. Hosahalli Nanjaiah Shivananjaiah as Executive Director, for a term of five years effective 17th September 2020. It is proposed to pay a remuneration/ emoluments of up to Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand Only) inclusive of allowances and perquisites, per month, to Mr. Hosahalli Nanjaiah Shivananjaiah, effective from September 17, 2020, for a period not exceeding five years.

Apart from Mr. Hosahalli Nanjaiah Shivananjaiah and his relatives, none of the other directors, key managerial personnel or their relatives are interested in the resolution.

Item No. 7

Mr. Rajiv Harshavardhan Ramahalli was appointed as Executive Director on 17th September 2015, for a term of five years. Their tenure ended on 16th September 2020. The Board has at its meeting held on 24th July, 2020 recommended their reappointment to the members for a further five years. Hence, this resolution is placed before the members for approval.

Apart from Mr. Rajiv Harshavardhan Ramahalli and his relatives, none of the other directors, key managerial personnel or their relatives are interested in the resolution.

Item No. 8

The Board has at its meeting held on 24th July, 2020, recommended the reappointment of Mr. Rajiv Harshavardhan Ramahalli as Executive Director for a term of five years effective 17th September 2020. It is proposed to pay a remuneration of up to Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand Only) inclusive of allowances and perquisites, per month, to Mr. Rajiv Harshavardhan Ramahalli, effective from September 17, 2020, for a period not exceeding five years.

Apart from Mr. Rajiv Harshavardhan Ramahalli and his relatives, none of the other directors, key managerial personnel or their relatives are interested in the resolution.

MYSORE STONEWARE PIPES AND POTTERIES LIMITED

Registered Office: No. 452, 11th Cross, 6th Main, Sadashivanagar, Bangalore- 560080, Karnataka

Corporate Identification Number: U26913KA1937PLC000197,

Email Id: msppoffice@gmail.com, Phone no.: 080 23614696, Fax: 080 23614697,

Website: www.mysorestonewarepipes.in

BOARD'S REPORT

[Pursuant to Sub-Section (3) of Section 134 of the Companies Act, 2013]

To,
The Members,
Mysore Stoneware Pipes and Potteries Limited

Your Directors present the Director's Report together with Audited Financial Statements for the year ended 31st March 2020.

FINANCIAL RESULTS:

The Company's financial results for the period ended 31st March 2020 is as under:

Particulars	For the year ended 31.03.2020 (Rupees)	For the year ended 31.03.2019 (Rupees)
Income from Operations	6,51,98,001	-
Other income	1,14,25,183	1,48,21,694
<u>Less: Expenses</u>	2,00,07,555	3,15,87,789
Income from Exceptional items	-	94,64,069
Extra-ordinary items	-	-
Profit or (loss) before Tax	5,66,15,629	-73,02,026
<u>Less: Tax Expenses</u> -		
Current tax-	-75,00,000	
Deferred tax asset/ (liability)	9,54,634	- 2,49,465
Profit or (loss) from Discontinuing operations	-	-3,13,38,235
Profit or (loss) after Tax including deferred tax	5,00,70,263	-3,88,89,726
Balance brought forward from previous year	2,63,69,639	7,14,97,378
Balance carried forward to next year	7,64,39,902	2,63,69,639

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

Your Company continues to carry on the business within the scope of its Main Objects. There was no diversification of business during the financial year under report.

CHANGE OF BUSINESS:

The Company has stopped its manufacture and sale of stoneware pipes business and is carrying on the business of developing and sale of land.

OPERATIONS:

The income from operations during the financial year was Rs. 6,51,98,001/- (Rupees Six Crore Fifty-One Lakh Ninety-Eight Thousand and One Only). The Company has earned a net profit of Rs. 5,00,70,263/- (Rupees Five Crore Seventy Thousand Two Hundred and Sixty-Three Only) after providing for depreciation, interest and tax.

SHARE CAPITAL AND DEBT STRUCTURE:

The Authorized Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided in to 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

The Paid-up Share Capital of the Company is Rs. 73,92,000/- (Rupees Seventy-Three Lakhs Ninety-Two Thousand Only) divided in to 7,39,200 (Seven Lakh Thirty-Nine Thousand Two Hundred) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

The Company has not increased its Authorised Share Capital and the Paid-up Share Capital during the financial year under report.

Apart from the Equity Shares, the Company has not issued or does not have any kind of securities, including convertible securities, nor obtained any loan facility from any banks or financial institution during the financial year under report.

CREDIT RATING OF SECURITIES:

There was no requirement of obtaining credit rating from the credit rating agency, during the financial year under report.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

(i) As on date, the Board of Directors comprises of the following:

S. No.	Name	Designation	Date of Appointment
1.	Nanjappaiah Madgondapalli Ramu	Director (Chairman)	10/09/2015
2.	Rajiv Harshavardhan Ramahalli	Whole-time Director	17/09/2015
3.	Shivananjaiah Hosahally Nanjaiah	Whole-time Director	27/09/2008
4.	Casiker Vivekanand	Director	19/12/2007
5.	Sanjay Jayatsen	Director	21/07/2008
6.	Mysore Manjanathasetty Sampathkumar	Director	08/03/2019

(ii) Mr. Ramohalli Krishnrao Karthik, who was liable to retire from the office of Directorship at the Annual General Meeting held on 27th September, 2019 and was being eligible, offered himself for reappointment, was not reappointed by the members. Accordingly, he ceased to be a director effective 27th September, 2019.

(iii) Mr. Mysore Manjanathasetty Sampathkumar's appointment was regularized at the Annual General Meeting held on 27th September, 2019.

- (vi) Mr. Casiker Vivekanand, Director, (DIN: 00822219) and Mr. Sanjay Jayatsen, Director (DIN: 02285192), who retires by rotation and are being eligible, offers themselves for reappointment.
- (v) The Company is an Unlisted Public Company and is not required to appoint Independent Director(s).

DETAILS OF BOARD MEETINGS:

The Board of Directors duly met 13 (Thirteen) times, respectively on 14th May 2019, 25th June 2019, 20th July 2019, 26th July 2019, 24th August 2019, 21st September 2019, 2nd October 2019, 25th October 2019, 18th November 2019, 14th December 2019, 18th January 2020, 20th February 2020 and 23rd March, 2020, in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose, in accordance with provisions of section 118 of the Act and the Secretarial Standard 1 (SS-1) issued by the Institute of Company Secretaries of India.

COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has complied with the Secretarial Standards, issued by the Institute of Company Secretaries of India (ICSI), with respect to convening and holding of Board and its committee, and General meetings, during the financial year under report.

DETAILS OF COMMITTEE(S) AND MEETINGS:

Investors/ Shareholders Grievance Committee & Share Transfer Committee

The Company had voluntarily constituted Investors / Shareholders Grievance Committee and Share Transfer Committee, comprising of Mr. Rajiv H Ramahalli, Mr. H.N. Shivananjaiah and Mr. Sanjay Jayatsen as its members, to expedite redressal of investor's grievances and also to address requests/ queries of the shareholders.

Pursuant to the Company being moved to the Dissemination Board, the Board at its meeting held on 4th August 2017 dissolved the Committee(s). Further, at its meeting held on 10th November 2018, the Board delegated the powers to approve share transfers/ transmissions, requests for issue of duplicate and/ or split share certificate(s), received from time to time, up to 1000 shares per transaction, to Mr. Rajiv H Ramahalli, Executive Director.

TRANSFER TO GENERAL RESERVES:

The Company has not transferred any amount to general reserves during the financial year under report.

DIVIDEND:

Your Directors recommend payment of a dividend at the rate of 620 % (Six Hundred and Twenty Percent), i.e., Rs. 62 /- (Rupees Sixty-Two Only) per equity share, for the financial year ended 31st March 2020, on

7,39,200 fully paid-up equity shares of Rs. 10/- each. The dividend on Ordinary Shares is subject to the approval of the members at the ensuing Annual General Meeting (AGM) scheduled to be held on Wednesday, the 23rd day of December, 2020.

RECEIPT OF COMMISSION:

The Company has not paid any commission to any Directors including Whole Time Directors, during the financial year under report.

CLOSURE OF REGISTERS:

The Register of Members and Share Transfer & Transmission Registers will remain closed from 11th day of December, 2020 to 23rd day of December, 2020 (both days inclusive).

SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES:

The Company does not have any subsidiary company nor entered into an arrangement of joint venture with other company/entity.

The Company has in its books, Investment with Global Pipe Engineering & Systems India Private Limited, to the tune of NIL (PY NIL), which is an Associate company, as per the provisions of section 2(6) of the Companies Act, 2013. The investment amount represents diminished value of the original investment of Rs. 24,16,120/-. The Net worth of the Associate company is fully eroded and the Going Concern assumption is threatened. The management is of the opinion that there is total diminution, other than temporary diminution. This has been done in compliance with the Accounting Standard 13 "Accounting for Investments". The Company does not have any significant influence in the said Associate company, which is operating under severe long term restrictions and in view of these conditions, consolidation of financial statements is not considered necessary as prescribed under the Accounting Standard 21 "Consolidated Financial Statements" and the Accounting Standard 23 "Accounting for Investments in Associates".

The Statement containing, salient features of the financial statement of associate company, pursuant to Clause (q) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Clause (iv) of Sub rule (5) of Rule 8 of the Companies (Accounts) Rules, 2014, is forming part of the Boards' Report and is marked as **Annexure I.**

Mr. R.P. Trivikram, ex-Managing Director, who is also a member of the Company, is controlling the affairs of the associate company.

FIXED DEPOSITS:

During the financial year under report, the Company has not accepted any amount which is termed as "Deposit", as per provisions of Section 2 (31) of the Companies Act, 2013.

LOANS, GUARANTEES OR INVESTMENTS:

The Company has not given any loan(s) or provided any guarantee(s)/security to its Directors or their relatives or other entities, including entities in which Directors have interest, during the financial year under report. Further, the Company has not made any other investment(s) in any other Company/body corporate during the financial year, which requires compliance of provisions of Section 186 of the Companies Act, 2013 and rules made there under. However, the Company has invested surplus money in fixed deposits with nationalised bank.

CONTRACTS AND/ OR ARRANGEMENTS WITH RELATED PARTIES:

The Company has not entered into any contracts/arrangements, falling under the purview of Section 188 of the Companies Act 2013, during the financial year under report. Therefore, there is no requirement to report any transaction in Form No. AOC-2, in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

RISK MANAGEMENT POLICY:

The Risk Management Policy of the Company is commensurate with the size and scale of its activities. The monitoring process includes review of activities of the Company, identifying the current risks and the measures to overcome the same.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, mandates that every Company with Net Worth of Rupees Five Hundred Crore or more, or Turnover of Rupees One Thousand Crore or more or Net Profit of Rupees Five Crore or more during the immediately preceding financial year, shall ensure that it constitutes Corporate Social Responsibility (CSR) Committee and spends in every financial year, at least 2% of the average net profits made during three immediately preceding financial years (calculated according to Section 198 of the Company Act, 2013), in pursuance of its Corporate Social Responsibility Policy.

Net Profit before tax of the Company for the Financial Year 2017-18 was more than Rupees Five Crore; pursuant to which the Company had constituted a Corporate Social Responsibility (CSR) Committee in the financial year 2018-19, to comply with the provisions of Section 135 of Companies Act, 2013 and rules made thereunder. The Company was not required to spend any amount on Corporate Social Responsibility programs/ activities in accordance with Section 135 and the rules thereunder;

Members of Corporate Social Responsibility (CSR) Committee:

Name of member	Designation
Mr. M.N. Ramu	Chairperson
Mr. Vivekanand C	Member
Mr. Sanjay Jayatsen	Member

AUDIT COMMITTEE:

The Company is an Unlisted Public Company and is not required to constitute an Audit Committee.

AUDITORS:

M/s Nityananda & Co., Chartered Accountants, Bangalore (Firm Registration Number: 012595S), were appointed as auditors at the Annual General Meeting (AGM) held on 23rd September 2017, to hold office till the conclusion of the Annual General Meeting to be held in the year 2022, subject to ratification by the members at every Annual General Meeting.

Pursuant to Section 139 as amended by the Companies (Amendment) Act, 2017 read with Rule 3 of Companies (Audit and Auditors') Rules 2014, the requirement for ratification by the members at every Annual General Meeting is waived-off. Hence, the appointment of M/s Nityananda & Co. as Statutory Auditors shall be valid till Annual General Meeting to be held for the financial year ended 31st March 2022.

SECRETARIAL AUDIT REPORT:

The Company is an unlisted public company and is not required to obtain Secretarial Audit Report, as per the provisions of Section 204 read with the Companies (Appointment and Remuneration of Key Managerial Personnel) Rules, 2014, during the financial year under report.

EXPLANATIONS OR COMMENTS ON QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITORS:

(a) Independent Auditors Report:
Report on Other Legal and Regulatory Requirements:

Point i (i): The Company has pending litigations and their impact on the financial position is not ascertainable. (Refer note no. 24 and 28.6)

Reply: The comments of the statutory auditors are self-explanatory.

Point i (iii): There has been a delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the Company, which is due to the covid pandemic.

Reply: The comments of the statutory auditors are self-explanatory.

Annexure B:

Point II a): The Inventory of the company represents Land and the management has obtained the physical surveying of the landed properties by an expert during the year which in our opinion is reasonable. There were no material discrepancies noticed on such verification. However, there are certain disputes before various revenue authorities with respect to the ownership of those lands. (Refer note no. 24.2)

Reply: The comments of the statutory auditors are self-explanatory.

Point VI b): According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service tax, Duty of Custom, Duty of Excise, Value Added tax or Cess as at 31st March 2020, which have not been deposited with the appropriate authorities on account of any dispute except a sum of Rs. 83.08 lakhs towards environment fee which is under dispute before the Honourable Supreme Court of India. The consequential interest and penalty due to the non compliance under goods and services tax which is under dispute before commissioner of Central Tax (Audit) Audit II

Reply: The comments of the statutory auditors are self-explanatory.

Any other comments, remarks, observations of the statutory auditors in their report, which have not been explicitly mentioned hereinabove, shall be construed as self-explanatory.

(b) Secretarial Audit Report: Not Applicable

DIRECTORS RESPONSIBILITY STATEMENT:

As required in terms of Sub-Section (5) of Section 134 of the Companies Act, 2013, your Directors state as under-

1. that in the preparation of annual accounts, applicable accounting standards had been followed, along with proper explanation relating to material departures;
2. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of state of affairs of the company at the financial year ended 31st March 2020 and of the profit and loss for that period;
3. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act, to safeguard the assets of the company and for preventing and detecting fraud and other irregularities;
4. that the Directors had prepared the annual accounts on a going concern basis;
5. that the Directors had devised proper systems, to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, 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 THE REPORT:

The Company had entered into Memorandum of Understanding (MOU) with Emlak Ventures Private Limited, with the involvement of Mr. R. P. Trivikram, ex-Managing Director, as per the terms of the Joint Compromise Petition (JCP), for sale of 12 acres of land at the rate of 3,25,00,000/- (Rupees Three Crore Twenty Five Lakhs Only) per acre. The MOU was brought to the notice of Hon'ble National Company Law Tribunal, Bengaluru bench, by filing consolidated Joint Progress Report, signed by the Company and the authorised representative of petitioners i.e., Mr. R. P. Trivikram. The Company has honored the terms of the MOU, by executing sale deeds and agreement, to sell in favour of the parties designated by Emlak Ventures Private Limited (Purchaser). The Company had deposited entire sale consideration received, in the designated current account opened pursuant to the terms of JCP.

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

A. CONSERVATION OF ENERGY:

Not applicable, as the Company has stopped all its manufacturing activities.

B. TECHNOLOGY ABSORPTION:

Not applicable, as the Company is into the business of real estate activities and has stopped all its manufacturing activities.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

Particulars	01.04.2019 to 31.03.2020	01.04.2018 to 31.03.2019
	Amount (INR in Lakhs)	Amount (INR in Lakhs)
Foreign Exchange Earnings-	-	-
Foreign Exchange Outgo--	-	-
- Capital goods-	-	-
- Others	-	-

EMPLOYEE STOCK OPTION SCHEME:

The Company has not framed/adopted any scheme, for issue of securities/stock to its employees.

EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS:

The Company has not issued Equity Shares with differential voting rights within the meaning of Section 43(a) (ii) of Companies Act, 2013 read with rules made there under.

INTERNAL FINANCIAL CONTROLS:

The Company has maintained adequate internal financial controls as per the provisions of the Companies Act, 2013, with respect to the financial statements of the Company.

EXTRACTS OF ANNUAL RETURN:

The extracts of Annual Return in Form MGT-9 for the financial year ended 31st March 2020 is attached hereto and is marked as *Annexure II*.

PARTICULARS OF MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There were no orders passed by any competent authority that may affect the going concern status of the Company and its operations in the future.

PARTICULARS OF EMPLOYEES:

None of the employees of the Company are drawing remuneration in excess of the limits specified in Rule 5 (2) and Rule 5 (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Section 197 (12) of the Companies Act, 2013.

CORPORATE GOVERNANCE:

The Company had been delisted and removed from the Dissemination Board by the Bombay Stock Exchange (BSE) Limited.

The Company is not a listed company as on date and is not required to comply with the provisions of Securities and Exchange Board of India Act, 1992 ('SEBI Act') and Regulations framed thereunder, including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; the Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules thereunder; the Depositories Act, 1996 and the Regulations and Bye-laws framed under the Act.

REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT:

There was no instances of revision of financial statements or Board's report of the Company, either voluntarily or pursuant to the order of judicial authority, during the financial year under report.

FRAUDS REPORTED BY THE AUDITORS:

The Statutory Auditors have not reported commission/ existence of any fraud in their report, during the financial year under report.

ACKNOWLEDGEMENTS:

Your Directors wish to express their gratitude and are thankful to the esteemed stakeholders for their support and confidence reposed in the Board members.

By Order of the Board of Directors
For **Mysore Stoneware Pipes and Potteries Limited**

Sd/-
Nanjappaiah Madgondapalli Ramu
(Chairman, DIN: 07268616)
No. 423, 5th C Cross, 4th Main, Near Giriyas,
2ndBlock, Bangalore- 560043, Karnataka, India

Sd/-
Shivananjaiah Hosahally Nanjaiah
(Executive Director, DIN: 02368798)
No. 11, Devikrupa, 11- Cross,
West of Chord Road, 02-Stage,
Bangalore - 560086, Karnataka, India

Sd/-
Rajiv Harshavardhan Ramahalli
(Executive Director, DIN: 00473445)
151,4th Main Road, Chamarajpet,
Bangalore- 560018, Karnataka, India

Place: Bangalore

Date: 12-11-2020

MYSORE STONEWARE PIPES AND POTTERIES LIMITED

Registered Office: No. 452, 11th Cross, 6th Main, Sadashivanagar, Bangalore- 560080, Karnataka

Corporate Identification Number: U26913KA1937PLC000197,

Email Id: mspoffice@gmail.com, Phone no.: 080 23614696, Fax: 080 23614697,

Website: www.mysorestonewarepipes.in

ANNEXURE I

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

The Company does not have any subsidiary company.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013, related to Associate Company.

Sl. No.	Name of the Associate Company	Global Pipe Engineering and Systems (India) Private Limited
1	Latest Audited Balance Sheet Date	31.03.2020
2	Date on which Associate Company was associated	28.03.2008
3	Shares of Associate Company held by the Company	
	on the year end	Equity Shares
	i. Number of Shares	2,41,612 of Rs. 10 each
	ii. Amount of Investment in Associate Company	INR 24,16,120/-
4	Description of how there is significant influence	The Company hold minority shares and does not have any control on associate.
5	Reason why the associate company is not consolidated	Net worth is eroded and the value is negative as on date.
6	Net worth attributable to shareholding as per latest audited balance sheet	(3,14,546)
7	Profit or Loss for the year	
	i. Considered in consolidation	Not Applicable
	ii. Not considered in consolidation	Not Applicable

The Company has in its books, Investment with Global Pipe Engineering & Systems India Private Limited, to the tune of NIL (PY NIL), which is an Associate company, as per the provisions of section 2(6) of the Companies Act, 2013. The investment amount represents diminished value of the original investment of Rs. 24,16,120/-. The Net worth of the Associate company is fully eroded and the Going Concern assumption is threatened. The management is of the opinion that there is total diminution, other than temporary diminution. This has been done in compliance with the Accounting Standard 13 "Accounting for Investments". The Company does not have any significant influence in the said Associate company, which is operating under severe long term restrictions and in view of these conditions, consolidation of financial statements is not considered necessary as prescribed under the Accounting Standard 21 "Consolidated Financial Statements" and the Accounting Standard 23 "Accounting for Investments in Associates".

The Company has not entered into any joint venture arrangement with other company/entity nor had any joint venture or associate liquidated or sold during the financial year under report.

For Mysore Stoneware Pipes and Potteries Limited

Sd/-

Nanjappaiah Madgondapalli Ramu
(Chairman, DIN: 07268616)
No. 423, 5th C Cross, 4th Main, Near Giriyas,
2ndBlock, Bangalore- 560043, Karnataka, India

Sd/-

Shivananjaiah Hosahally Nanjaiah
(Executive Director, DIN: 02368798)
No. 11, Devikrupa, 11- Cross,
West of Chord Road, 02-Stage,
Bangalore - 560086, Karnataka, India

Sd/-

Rajiv Harshavardhan Ramahalli
(Executive Director, DIN: 00473445)
151,4th Main Road, Chamarajpet,
Bangalore- 560018, Karnataka, India

Annexure II
FORM NO. MGT 9
EXTRACTS OF ANNUAL RETURN

for the financial year ended 31st March, 2020
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies
(Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

- i Corporate Identification Number U26913KA1937PLC000197
- ii Registration Date 25/03/1937
- iii Name of the Company MYSORE STONEWARE PIPES AND POTTERIES LIMITED
- iv Category/Sub-category of the Company Public Company Limited by Shares
- v Address of the Registered office & contact details and EMail ID
No. 452, 11th Cross, 6th Main, Sadashivanagar,
Bangalore- 560080, Karnataka, India
E-mail Id: msppoffice@gmail.com,
Phone No: 080 23614696
Website: www.mysorestonewarepipes.com
- vi Whether listed company No
- vii Name, Address & contact details of the Registrar & Transfer Agent, if any.
BgSE Financials Limited, Stock Exchange Towers,
51, 1st Cross, J.C. Road, Bangalore - 560 027
Tel : 080 41575234 / 35 (Reception),
Systems C&S : 41575553 / 4
Email ID : bfsi@bfsi.co.in, Website : www.bfsi.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name & Description of main products / services	NIC Code of the Product /service	% to total turnover of the company
	Sale of land	68100	100.00%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Global Pipe Engineering and Systems (India) Private Limited Address: 30, Sapthagiri, 10th Cross, RMV Extn, Sadashivanagar, Bangalore- 560080, Karnataka, India	U26941KA2005 PTC036128	Associate	33.33%	Section 2(6)

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

i) Category-wise Shareholding

Category of Shareholders	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				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) Indian									
(a) Individuals / Hindu Undivided Family	480712	75073	555785	75.19%	480712	75073	555785	75.19%	0.00%
(b) Central Government(s)	-	-	-	-	-	-	-	-	-
(c) State Government(s)	-	-	-	-	-	-	-	-	-
(d) Body Corporate	-	-	-	-	-	-	-	-	-
(e) Banks/Financial Institutions	-	-	-	-	-	-	-	-	-
(f) Any other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	480712	75073	555785	75.19%	480712	75073	555785	75.19%	0.00%
(2) Foreign									
(a) Non-Resident Individuals	-	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-	-
(c) Body Corporate	-	-	-	-	-	-	-	-	-
(d) Banks/Financial Institutions	-	-	-	-	-	-	-	-	-
(e) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	480712	75073	555785	75.19%	480712	75073	555785	75.19%	0.00%

(B) Public Shareholding (1) Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks/Financial Institutions	-	898	898	0.122%	-	898	898	0.122%	-
(c) Central Government (s)	-	-	-	-	-	-	-	-	-
(d) State Government(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) Foreign Institutional Investor(s)	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Any Other (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B) (1)	-	898.00	898.00	0.122%	-	898.00	898.00	0.122%	0.000%
(2) Non-Institutions									
(a) Bodies Corporate									
i) Indian	34507	-	34507	4.668%	34507	-	34507	4.668%	0.00%
ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual Shareholders holding nominal Share Capital upto Rs.1 Lakh	26759	31400	58159	7.867%	46816	40144	86960	11.720%	3.85%
(ii) Individual Shareholders holding nominal Share Capital in excess of Rs.1 Lakh	32794	47489	80283	10.860%	13236	38246	51482	4.879%	-5.98%
(c) Any Other (Specify)	-	-	-	-	-	-	-	-	-
(i) Trust - The official Trustee Gujarat State & Secretary, National Education Society of Mysore	-	306	306	0.041%	-	306	306	0.041%	-

(ii) Shares held by Custodian of Enemy for India	41	10	51	0.007%	41	10	51	0.007%	-
(iii) Investor Education and Protection Fund Authority	9,211.00-	9211	1.246%	9,211.00	-	9211	1.246%	-	
Sub-total (B) (2)	103312	79205	182517	24.689%	91737	90951	182517	22.561%	-2.13%
Total Public Shareholding (B) = (B)(1)+(B)(2)	103312.00	80103.00	183415.00	24.811%	91737.00	91849.00	183415.00	22.683%	-2.13%
TOTAL (A)+(B)	584024.00	155176.00	739200.00	100.0%	572449	166922	739200	100.00%	0.00%
(C) Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	584024.00	155176.00	739200.00	100%	572449.00	166922.00	739200.00	100%	0%

ii) Shareholding of Promoters :

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	H.K. Nanjunda Swamy	3642	0.4927%	0%	3642	0.4927%	0%	0.00%
2	R.P. Trivikram	129371	17.5015%	0%	129371	17.5015%	0%	0.00%
3	R.K. Karthik	5871	0.7942%	0%	5871	0.7942%	0%	0.00%
4	Rajiv H.Ramahalli	72676	9.8317%	0%	72676	9.8317%	0%	0.00%
5	C.Vivekanand	24013	3.2485%	0%	24013	3.2485%	0%	0.00%
6	H.N.Shivananjaiah	102540	13.8718%	0%	102540	13.8718%	0%	0.00%
7	Sudha Trivikram	25917	3.5061%	0%	25917	3.5061%	0%	0.00%
8	Sanjay Jayatsen	4058	0.5490%	0%	4058	0.5490%	0%	0.00%
9	R.P.Jayashree	114	0.0154%	0%	114	0.0154%	0%	0.00%
10	R.P.Urmila	2132	0.2884%	0%	2132	0.2884%	0%	0.00%
11	Janaki S.R.	1186	0.1604%	0%	1186	0.1604%	0%	0.00%
12	Bharathi Jagannath	5690	0.7698%	0%	5690	0.7698%	0%	0.00%
13	R.T.Bhavana	10623	1.4371%	0%	10623	1.4371%	0%	0.00%
14	Usha Devi R.K.	25813	3.4920%	0%	25813	3.4920%	0%	0.00%
15	Kruthika Karthik	104	0.0141%	0%	104	0.0141%	0%	0.00%
16	Usha Rao J	5870	0.7941%	0%	5870	0.7941%	0%	0.00%
17	R.K.Sashidhara	4672	0.6320%	0%	4672	0.6320%	0%	0.00%
19	H S Hemalatha	5611	0.7591%	0%	5611	0.7591%	0%	0.00%
20	C. Varalakshmi	5594	0.7568%	0%	5594	0.7568%	0%	0.00%
21	Chaitra S	148	0.0200%	0%	148	0.0200%	0%	0.00%
22	Ramya S	332	0.0449%	0%	332	0.0449%	0%	0.00%
23	R.T.Abhijit	19383	2.6222%	0%	19383	2.6222%	0%	0.00%
24	Ushacashikar	11143	1.5074%	0%	11143	1.5074%	0%	0.00%
25	Archana Sanjay	48726	6.5917%	0%	48726	6.5917%	0%	0.00%
26	Anand Ram M M	1040	0.1407%	0%	1040	0.1407%	0%	0.00%
27	M.N. Ramu & Swaroop R Jahgirdar	6714	0.9083%	0%	6714	0.9083%	0%	0.00%
28	Kumar. V. Jahgirdar	1	0.0001%	0%	1	0.0001%	0%	0.00%
29	Sambamurthy Jahgirdar	31	0.0042%	0%	31	0.0042%	0%	0.00%
30	Shamala S Jahgirdar & M.N. Ramu	6000	0.8117%	0%	6000	0.8117%	0%	0.00%
31	M.N. Ramu & Adith S Jahgirdar	737	0.0997%	0%	737	0.0997%	0%	0.00%
32	M.N. Ramu	26033	3.5218%	0%	26033	3.5218%	0%	0.00%
	Total	555785	75.19%	0%	555785	75.19%	0%	0.00%

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

Sl. No	Shareholders Name	Share holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	H.K. Nanjunda Swamy				
	At the beginning of the year 01.04.2019	3642	0.49%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	3642	0.49%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	R.P. Trivikram				
	At the beginning of the year 01.04.2019	129371	17.50%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	129371	17.50%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	R.K. Karthik				
	At the beginning of the year 01.04.2019	5871	0.79%	-	-
	No changes during the year	-	-	5871	0.79%
	At the End of the year on 31.03.2020	-	-	5871	0.79%

Sl. No	Shareholders Name	Share holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	Rajiv H.Ramahalli				
	At the beginning of the year 01.04.2019	72676	9.83%	-	-
	Increase during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	72676	9.83%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	C.Vivekanand				
	At the beginning of the year 01.04.2019	24013	3.25%	-	-
	No changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	24013	3.25%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	H.N.Shivananjaiah				
	At the beginning of the year 01.04.2019	102540	13.87%	-	-
	changes during the year	-	-	102540	13.87%
	At the End of the year on 31.03.2020	-	-	102540	13.87%

Sl. No	Shareholders Name	Share holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7	Sudha Trivikram				
	At the beginning of the year 01.04.2019	25917	3.51%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	25917	3.51%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	Sanjay Jayatsen				
	At the beginning of the year 01.04.2019	4058	0.55%	-	-
	Changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	4058	0.55%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	R.P.Jayashree				
	At the beginning of the year 01.04.2019	114	0.02%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	114	0.02%

Sl. No	Shareholders Name	Share holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10	R.P.Urmila				
	At the beginning of the year 01.04.2019	2132	0.29%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	2,132	0.29%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
11	Janaki S.R.				
	At the beginning of the year 01.04.2019	1186	0.16%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	1,186	0.16%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
12	Bharathi Jagannath				
	At the beginning of the year 01.04.2019	5690	0.77%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	5690	0.77%

Sl. No	Shareholders Name	Share holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
13	R.T.Bhavana				
	At the beginning of the year 01.04.2019	10623	1.44%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	10,623	1.44%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
14	Ushadevi R.K.				
	At the beginning of the year 01.04.2019	25813	3.49%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	25,813	3.49%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
15	Kruthika Karthik				
	At the beginning of the year 01.04.2019	104	0.01%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	104	0.01%

Sl. No	Shareholders Name	Share holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
16	Usha Rao J.				
	At the beginning of the year 01.04.2019	5420	0.79%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	5420	0.79%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
17	R.K.Sashidhara				
	At the beginning of the year 01.04.2019	4672	0.63%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	4,672	0.63%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
18	HS Hemalatha				
	At the beginning of the year 01.04.2019	5611	0.76%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	5611	0.76%

Sl. No	Shareholders Name	Share holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
19	C. Varalakshmi				
	At the beginning of the year 01.04.2019	5594	0.757%	-	-
	changes during the year	-	-	5594	0.757%
	At the End of the year on 31.03.2020	-	-	5594	0.757%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
20	Chaitra S				
	At the beginning of the year 01.04.2019	148	0.02%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	148	0.02%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
21	Ramya S				
	At the beginning of the year 01.04.2019	332	0.04%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	332	0.04%

Sl. No	Shareholders Name	Share holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
22	R.T.Abhijit				
	At the beginning of the year 01.04.2019	19383	2.62%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	19,383	2.62%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
23	Ushacashikar				
	At the beginning of the year 01.04.2019	11143	1.51%	-	-
	changes during the year	-	-	11143	1.51%
	At the End of the year on 31.03.2020	-	-	11143	1.51%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
24	Archana Sanjay				
	At the beginning of the year 01.04.2019	48726	6.59%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	48726	6.59%

Sl. No	Shareholders Name	Share holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
25	Anand Ram M M				
	At the beginning of the year 01.04.2019	1040	0.14%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	1,040	0.14%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
26	M.N. Ramu & Swaroop R Jahgirdar				
	At the beginning of the year 01.04.2019	6714	0.91%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	6714	0.91%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
27	Kumar. V. Jahgirdar				
	At the beginning of the year 01.04.2019	1	0.0001%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	1	0.0001%

Sl. No	Shareholders Name	Share holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
28	Sambamurthy Jahgirdar				
	At the beginning of the year 01.04.2019	31	0.004%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	31	0.004%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
29	Shamala S Jahgirdar & M.N. Ramu				
	At the beginning of the year 01.04.2019	6000	0.81%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	6000	0.81%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
30	M.N. Ramu & Adith S Jahgirdar				
	At the beginning of the year 01.04.2019	737	0.10%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	737	0.10%

Sl. No	Shareholders Name	Share holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
31	M.N.Ramu				
	At the beginning of the year 01.04.2019	26033	3.25%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	26033	3.25%

iv)- Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Kumergode Investments Ltd				
	At the beginning of the year 01.04.2019	34507	4.67%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	34507	4.67%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	DR. R.V. Raghavendra				
	At the beginning of the year 01.04.2019	22827	3.09%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	22827	3.09%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	Kapinipathi Rao R				
	At the beginning of the year 01.04.2019	15419	2.09%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	15419	2.09%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	Nandini Srikanta				
	At the beginning of the year 01.04.2019	13236	1.79%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	13236	1.79%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	Padmakant Devidas Shah & Saryu Padmakant Shah				
	At the beginning of the year 01.04.2019	9874	1.34%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	9874	1.34%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	Sohesh Prakash Shah				
	At the beginning of the year 01.04.2019	9684	1.31%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	9684	1.31%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7	Investor Education and Protection Fund Authority				
	At the beginning of the year 01.04.2019	9211	1.25%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	9211	1.25%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	Sharada Natarajan				
	At the beginning of the year 01.04.2019	4000	0.54%	-	-
	No changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	4000	0.54%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	W.P.Krishna				
	At the beginning of the year 01.04.2019	2695	0.37%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	2695	0.37%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10	Ramachandra M.K.				
	At the beginning of the year 01.04.2019	2548	0.35%	-	-
	changes during the year	-	-	-	-
	At the End of the year on 31.03.2020	-	-	2548	0.35%

v) Shareholding of Directors & Key Managerial Personnel

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Rajiv Harshavardhan Ramahalli				
	At the beginning of the Year 01.04.2019	72676	9.83%	-	-
	changes during the year	-	-	-	-
	At the end of the Year 31.03.2020	-	-	72676	9.83%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	Shivananjaiah Hosahalli Nanjaiah				
	At the beginning of the Year 01.04.2019	102540	13.87%	-	-
	changes during the year	-	-	-	-
	At the end of the Year 31.03.2020	-	-	102540	13.87%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	Casiker Vivekanand				
	At the beginning of the Year 01.04.2019	24013	3.25%	-	-
	changes during the year	-	-	-	-
	At the end of the Year 31.03.2020	-	-	24013	3.25%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	Sanjay Jayatsen				
	At the beginning of the Year 01.04.2019	4058	0.55%	-	-
	changes during the year	-	-	-	-
	At the end of the Year 31.03.2020	-	-	4058	0.55%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	Nanjappaiah Madgondapalli Ramu				
	At the beginning of the Year 01.04.2019	26033	3.52%	-	-
	changes during the year	-	-	-	-
	At the end of the Year 31.03.2020	-	-	26033	3.52%

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	Mysore Manjanathsetty Sampathkumar				
	At the beginning of the Year 01.04.2019	1040	0.14%	-	-
	changes during the year	-	-	-	-
	At the end of the Year 31.03.2020	-	-	1040	0.14%

V INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year - 01.04.2018				
i) Principal Amount	702,043.00	-	-	702,043.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
-				
Total (i+ii+iii)	702,043.00	-	-	702,043.00
Change in Indebtedness during the financial year				
Additions	-	-	-	-
Reduction	-702,043.00	-	-	-702,043.00
Net Change	-702,043.00	-	-	-702,043.00
Indebtedness at the end of the financial year - 31.03.2019				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
-				
Total (i+ii+iii)		-	-	-
-				

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole time director and/or Manager:

(in Rupees)

Sl. No.	Particulars of Remuneration	Name and Designation of the MD/WTD/Manager		Total Amount
		Rajiv. H. Ramahalli	H.N. Shivananjaiah	
		WTD	WTD	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	1,320,000	1,320,000	2,640,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	57,600	57,600	115,200
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit -others,(specify)	-	-	-
5	Others, please specify- sitting fees	-	-	-
	Total (A)	1,377,600	1,377,600	2,755,200
	Ceiling as per the Act	Rs. 60 lakhs as per Schedule V to the Companies Act, 2013		

B. Remuneration to other directors:

(in Rupees)

SI. No.	Particulars of Remuneration	(a) Fee for attending board / committee meetings	(b) Commission	(c) Others, please specify
1	Independent Directors Name of the Directors	-	-	-
	Total (1)	-	-	-
2	Other Non Executive Directors			
	Name of the Directors			
	C.Vivekanad	260,000.00	-	-
	Sanjay Jayatsen	260,000.00	-	-
	M.N.Ramu	260,000.00	-	-
	M. M. Sampathkumar	240,000.00		
	Total (2)	10,20,000.00	-	-
	Total (B)=(1+2)	10,20,000.00	-	-
	Overall Ceiling as per the Act.	Rs. 1,00,000/- per meeting	NA	NA

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

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

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made if any (give details)
A COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

**For and on behalf of the Board
of Mysore Stoneware Pipes and Potteries Limited**

Sd/-
Nanjappaiah Madgondapalli Ramu
Chairman, DIN: 07268616
No. 423, 5th C Cross, 4th Main, Near Giriyas
2nd Block, Bangalore- 560043
Karnataka, India

Sd/-
Rajiv Harshavardhan Ramahalli
Executive Director, DIN: 00473445
151, 4th Main Road, Chamarajpet
Bangalore- 560018, Karnataka, India

Sd/-
Shivananjaiiah Hosahally Nanjaiah
Executive Director, DIN: 02368798
No. 11, Devikrupa, 11- Cross West of Chord Road, 02- Stage,
Bangalore - 560086 Karnataka, India

Date: 12.11.2020
Place: Bangalore

NITYANANDA & CO
CHARTERED ACCOUNTANTS
INDEPENDENT AUDITOR’S REPORT

To the Members of **MYSORE STONEWARE PIPES AND POTTERIES LIMITED, Bengaluru**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **MYSORE STONEWARE PIPES AND POTTERIES LIMITED (“the Company”)**, which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the Profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of the Matter:

- a) We wish to draw emphasis to the Note No.28.6 with respect to the ongoing Company law dispute between the shareholders and the company & other directors, who have subsequently entered into a joint compromise petition and the Executors report that the implementation of the Compromise petition is remote.
- b) Emphasis is drawn to the Note No. 28.7 regarding the liability of Environment Fees which is not supported by confirmation.
- c) We wish to draw emphasis to the Note No. 28.10 regarding the non compliance with respect to the Statutory dues “Goods and Services Tax”
- d) Emphasis is drawn to the Note No. 24 with respect to the various Contingent Liabilities on the company including alleged illegal service arrangements and with respect to the ongoing investigation by the Karnataka Lokayuktha on the mining activities of the company which is not ascertainable.

Our opinion is not modified in respect of the above matter emphasized.

Information Other than the Financial Statements and Auditor’s Report Thereon

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

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

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

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

Management’s Responsibility for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards and other accounting principles generally accepted in India. This responsibility also includes 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 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, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor’s Responsibilities for the Audit of the 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.

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- Obtain an understanding of internal financial controls 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. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) In 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 A and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act

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- h) With respect to the other matters included in the Auditor's Report in accordance with Section 143(11) read with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has pending litigations and their impact on the financial position is not ascertainable (Refer note No. 24 and 28.6).
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been a delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the Company which is due to the covid pandemic.

As required by the Companies (Auditor's Report) Order, 2016("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure B**" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

Place : Bengaluru
Date : 12-11-2020

UDIN - 20510494AAAAGN7513

for Nityananda & Co .,
Chartered Accountants
Firm Regn No: 012595S

Sd/-
Vijayalakshmi C.J
(Partner)
Membership No. : 510494

Nityananda & Co **Chartered Accountants**

“Annexure A” to the Independent Auditor’s Report of even date on the Financial statements of **MYSORE STONEWARE PIPES AND POTTERIES LIMITED** for the year ended 31st March 2020.

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 **MYSORE STONEWARE PIPES AND POTTERIES LIMITED** as of March 31, 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. 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

Nityananda & Co
Chartered Accountants

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the 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.

Place : Bengaluru
Date : 12-11-2020

UDIN - 20510494AAAAGN7513

for Nityananda & Co .,
Chartered Accountants
Firm Regn No: 012595S

Sd/-
Vijayalakshmi C.J
(Partner)
Membership No. : 510494

Nityananda & Co
Chartered Accountants

**‘ANNEXURE B’ TO INDEPENDENT AUDITORS’ REPORT TO THE MEMBERS OF MYSORE
STONEWARE PIPES AND POTTERIES LIMITED REFERRED TO IN PARAGRAPH (2) UNDER THE
HEADING OF ‘REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS’ OF OUR
REPORT OF EVEN DATE**

- I.
- a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) The company has a program of verification to cover all the items of Fixed assets in a phased manner which in our opinion is reasonable having regard to the size of the company and the nature of its assets pursuant to which certain fixed assets were physically verified by the management during the year. According to the information and explanation given to us, there have been no material discrepancies on such verification.
 - c) There are no immovable properties under Property, Plant and Equipment as on 31st March 2020 as the existing immovable property have been converted into Stock in Trade and hence our comments under this clause does not arise.
- II.
- a) The Inventory of the company represents Land and the management has obtained the physical surveying of the landed properties by an expert during the year which in our opinion is reasonable. There was no material discrepancies noticed on such verification. However there are certain disputes before various revenue authorities with respect to the ownership of those lands. (Refer 24.2)
- III. According to the information and explanation given to us, the company has not granted any secured and unsecured loans to companies, firms, Limited Liability Partnership or other parties listed in the register to be maintained Under Section 189 of the Companies Act, 2013. Hence sub clauses (a), (b) & (c) of Clause (iii) are not applicable.
- IV. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185, however refer Note No 26 with respect to dues from erstwhile directors which is pending settlement and there are no transactions which requires compliance of provision of Section 186 of the Companies Act, 2013 with respect to loans, investments, guarantees and securities made.
- V. The Company has not accepted any deposits, whether under the directives issued by the Reserve Bank of India and deposits from the public covered under the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. There have been no instances where order has been passed by Company Law Board or National Company Law Tribunal for any contravention.
- VI. Pursuant to the Rules made by the Central Government of India, the maintenance of cost records has not been prescribed under subsection (1) of section 148 of the Companies Act for any of the activity rendered by the company.

VII.

- a) According to the information and explanations given to us and the records of the company examined by us, the company is regular in depositing with the appropriate authorities undisputed Statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Services Tax, Duty of Customs, Duty of Excise, Value Added tax, Cess and any other material statutory dues with the appropriate authorities and no undisputed amounts payable were outstanding as at 31st March 2020 for a period of more than six months from the date they became payable as observed by us during the course of our examination of the books of account carried out in accordance with generally accepted auditing practices in India.
 - b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income Tax, Sales Tax, Service tax, Duty of Custom, Duty of Excise, Value Added tax or Cess as at 31st March 2020, which have not been deposited with the appropriate authorities on account of any dispute except a sum of Rs. 83.08 lakhs towards environment fee which is under dispute before the Honourable Supreme Court of India and Refer Note no. 28.10 regarding the consequential interest and penalty due to the non compliances under Goods and Services Tax which is under dispute before Commissioner of Central Tax (Audit) Audit II.
- VIII. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution, banks or debenture holders as at the Balance sheet date.
- IX. The company did not raise any money by way of initial public offer or further public offer during the year. The company has not availed any term Loans during the year.
- X. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, its officers/Employees, noticed or reported during the year nor have we been informed of such cases by the management we are drawing attention to certain ongoing allegations made by some shareholders intersay on the implementation of the Joint Compromise Petition (note no 28.6), ongoing dispute in connection with a service arrangement (note 24.5) and illegal mining activities (note no 24.1) which are under consideration of the investigating authorities / courts
- XI. According to the information and explanation given to us and based on our examination of the records of the company, the company has complied with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- XII. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
- XIII. According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of section 177 of the Act are not applicable to the company and there are no transactions attracting the section 188. Hence our comments on the same has not been furnished.
- XIV. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

XV. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them.

XVI. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place : Bengaluru
Date : 12-11-2020

UDIN - 20510494AAAAGN7513

for Nityananda & Co .,
Chartered Accountants
Firm Regn No: 012595S

Sd/-
Vijayalakshmi C.J
(Partner)
Membership No. : 510494

**FINANCIAL STATEMENTS
FOR THE
YEAR ENDED 31.03.2020**

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
BALANCE SHEET AS ON 31ST MARCH 2020

	Particulars	Note No.	31st March 2020 Rs.	31st March 2019 Rs.
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	1	7,392,000	7,392,000
	(b) Reserves and surplus	2	88,323,843	38,253,580
	(c) Money received against share warrants		-	-
2	Share application money pending allotment		-	-
3	Non-current liabilities			
	(a) Long-term borrowings	3	-	702,043
	(b) Deferred tax liabilities (Net)		-	-
	(c) Other Long term liabilities	4	4,600,000	4,600,000
	(d) Long-term provisions	5	115,200	507,692
4	Current liabilities		-	-
	(a) Short-term borrowings		-	-
	(b) Trade payables		-	-
	Total outstanding dues of Micro Enterprises and Small Enterprises		-	-
	Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	6	14,895,000	15,876,000
	(c) Other current liabilities	7	198,616,224	161,807,822
	(d) Short-term provisions		-	-
	TOTAL		313,942,267	229,139,137
II.	ASSETS		-	-
	Non-current assets-			
1	(a) Property Plant and Equipment		-	-
	(i) Property Plant and Equipment	8	3,448,808	21,335,993
	(ii) Intangible assets		-	-
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(b) Non-current investments	9	3,266,972	3,266,972
	(c) Deferred tax assets (net)	10	4,573,428	3,618,793
	(d) Long-term loans and advances	11	6,645,880	5,254,204
	(e) Other non-current assets		-	-

2	Current assets			
	(a) Current investments		-	-
	(b) Inventories	12	16,382,131	-
	(c) Trade receivables		-	-
	(d) Cash and cash equivalents	13	272,581,344	186,981,390
	(e) Short-term loans and advances	14	156,619	40,615
	(f) Other current assets	15	6,887,085	8,641,170
	TOTAL		313,942,267	229,139,137
	Significant Accounting Policies and Notes on Financial Statements	1 to 28	-	-

Place : Bengaluru
Date : 12-11-2020

This is the Balance Sheet referred to
in our report of even date.
for Nityananda & Co.
Chartered Accountants.
Firm Registration No. 012595S

Sd/-
Rajiv.H.Ramahalli
Executive Director
DIN- 00473445

Sd/-
H.N.Shivananjaiah
Executive Director
DIN- 02368798

Sd/-
M.N. Ramu
Chairman
DIN- 07268616

Sd/-
Vijayalakshmi C.J
Partner
Membership No. 510494

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020

	Particulars	Note No.	2019-20 Rs.	2018-19 Rs.
I.	Revenue from operations	16	65,198,001	-
II.	Other income	17	10,925,740	14,821,694
III.	Total Revenue (I + II)		76,123,741	14,821,694
IV.	Expenses:			
	Cost of materials consumed		-	-
	Stock in trade conversion		16,383,603	-
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	18	-16,382,131	-
	Employee benefits expense	19	2,954,744	2,861,018
	Finance costs	20	122,727	205,346
	Depreciation and amortization expense	8	974,347	1,789,650
	Other expenses	21	15,954,265	26,731,775
	Total expenses		20,007,555	31,587,789
V.	Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)		56,116,186	-16,766,095
VI.	Exceptional items	22	499,443	9,464,069
VII.	Profit / (-) Loss before extraordinary items and tax (V - VI)		56,615,629	-7,302,026
VIII.	Extraordinary Items		-	-
IX.	Profit/Loss (-) before tax (VII- VIII)		56,615,629	-7,302,026
X	Tax expense:			
	(1) Current tax		-7,500,000	-
	(2) Deferred tax		954,634	-249,465
XI	Loss (-) / Profit for the period from continuing operations (IX-X)		50,070,263	-7,551,491
XII	Loss from discontinuing operations		-	-31,338,235
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-31,338,235

XV	Profit / Loss (-) for the period (XI + XIV)		50,070,263	-38,889,726
XVI	Earnings per equity share of face value of Rs. 10/-. Basic & Diluted	23	67.74	(52.61)
	Significant Accounting Policies and Notes on Financial Statements	1 to 28		

Place : Bengaluru
Date : 12-11-2020

This is the Statement of Profit and Loss referred to in our report of even date.
for Nityananda & Co.
Chartered Accountants.
Firm Registration No. 012595S

Sd/-
Rajiv.H.Ramahalli
Executive Director
DIN- 00473445

Sd/-
H.N.Shivananjaiah
Executive Director
DIN- 02368798

Sd/-
M.N. Ramu
Chairman
DIN- 07268616

Sd/-
Vijayalakshmi C.J
Partner
Membership No. 510494

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

(Amount in Rupees)

	2019-20		2018-19	
	Rs.	Rs.	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT/LOSS(-) BEFORE EXTRAORDINARY ITEMS		56,615,629		(7,302,026)
AS PER THE STATEMENT OF PROFIT AND LOSS				
Adjustments for:				
Depreciation and amortisation expense	974,347		1,789,650	
Finance Costs	122,727		205,346	
Gains on Redemption of Investments	0		(1,604,225)	
Diminution in the value of investments	0		1,208,060	
Profit on Sale of car	(499,443)		-	
Profit on Sale of Land	0		(10,642,129)	
Cash flows from Discontinuing operations	0		(13,617,919)	
Interest income	(10,799,488)		(11,338,071)	
		(10,201,857)		(33,999,288)
Operating Profit before working capital changes		46,413,772		(41,301,314)
Adjustments for :				
Decrease/(Increase) in Trade and other Receivables	246,405		(10,113,267)	
Decrease/(Increase) in Other Bank Balances	(84,024,775)		(25,909,913)	
Decrease/(Increase) in Inventories	1,472		0	
(Decrease)/Increase in Trade Payables & other Liabilities	35,434,910		25,507,186	
Cash Flows relating to operating activity of Discontinuing operations	0	(48,341,988)	9,570,701	(945,293)
Cash generated from Operations		(1,928,216)		(42,246,607)
Income Taxes		(7,500,000)		0
Net cash flow from operating activities		(9,428,216)		(42,246,607)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets & capital Work in progress	0		(9,836,012)	
Proceeds from sale of land (Net of Expenses)	1,028,677		10,642,774	
Interest income	10,799,488		11,338,071	
Proceeds from redemption of Investments	0		19,232,133	

Net cash from investing activities		11,828,165		31,376,966
C. CASH FLOW FROM FINANCIAL ACTIVITIES				
Repayment towards Borrowings	(702,043)		(783,305)	
Interest and Bank charges	(122,727)		(205,346)	
Dividend paid including Dividend Distribution tax thereon	0		(23,950,084)	
Net cash used in financing activities		(824,770)		(24,938,735)
NET CHANGE IN CASH AND CASH EQUIVALENTS		1,575,179		(35,808,376)
CASH & CASH EQUIVALENTS (Opening Balance)		7,680,454		43,488,830
CASH & CASH EQUIVALENTS (Closing Balance)		9,255,633		7,680,454
Significant Accounting Policies and				
Notes on Financial Statements	1 to 28			
Reconciliation				
Cash and Cash equivalents				
Cash and cash equivalents as per the Balance sheet		272,581,344		186,981,390
Less: Fixed deposits having restrictions to use		(261,563,429)		(177,761,420)
Less: Bank Balances in Dividend Account		(1,762,282)		(1,539,516)
Total Cash and cash equivalents		9,255,633		7,680,454

Place : Bengaluru
Date : 12-11-2020

This is the Cash flow statement referred to
in our report of even date.
for Nityananda & Co.
Chartered Accountants.
Firm Registration No. 012595S

Sd/-
Rajiv.H.Ramahalli
Executive Director
DIN- 00473445

Sd/-
H.N.Shivananjaiiah
Executive Director
DIN- 02368798

Sd/-
M.N. Ramu
Chairman
DIN- 07268616

Sd/-
Vijayalakshmi C.J
Partner
Membership No. 510494

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDING 31ST MARCH 2020

A. General:

a) Basis of Preparation

The financial statements are prepared under the historical cost convention and evaluated on a going concern basis and are in accordance with the generally accepted accounting principles and Accounting Standards as notified under Rule 7 of Companies (Accounts) Rules, (2014).

b) Use of Estimates

The preparation of the financial statements is in conformity with Indian GAAP which requires the management of the Company (“Management”) to make estimates and assumptions that affect the reported amounts of revenue and expenses of the year, reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as of the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

B. Property Plant and Equipment

Tangible Assets are stated at cost, less accumulated depreciation. Cost of acquisition of fixed assets is inclusive of duties and taxes and other incidental expenses, which are directly related to the acquisition of the assets & bringing the assets to its working condition for the intended use.

Depreciation has been provided at after adopting the Schedule II of the Companies Act 2013. The depreciable amount of an asset is the cost of the asset less its residual value. The useful life of the asset is the period over which the asset is expected to be available for use by the entity. The Assets are depreciated on Reducing balance method except for Computers which are depreciated on straight line basis.

The useful life of the asset has been considered based on the management representation and technical estimate for certain assets such as Plant and Machinery, Equipments and Furniture and the useful life for the Buildings has been adopted as prescribed under Part C of the Schedule II of the Companies Act 2013.

C. Impairment of Assets

At each Balance Sheet date, the Company reviews the carrying value of tangible and intangible assets to assess, if there is any indication of impairment based on internal/external factors. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount

is higher of the asset's net selling price or estimated future cash flows which are discounted to their present value based on appropriate discount rates. For the purpose of assessing impairment, assets are grouped at the levels for which there are separately identifiable cash flows (Cash Generating Unit).

D. Revenue Recognition:

Revenue in respect of Sale of land is recognized at the time of entering into the Sale deeds and when there exists no uncertainty on the ultimate collection. Income in respect of interest is accounted on accrual basis and Dividends are accounted when the right to receive the dividend is established.

E. Inventories:

The inventories comprise of the Lands and they are valued at lower of cost or net realizable value.

F. Investments

The Long term Investments both Trade, Non-trade, quoted and unquoted are valued at acquisition cost. These are held on Long Term basis. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of management. The Current Investments are valued at cost or Fair value whichever is lower.

G. Employee benefits:

Regular contributions are made to provident fund. Liability for gratuity has been provided based on the number of years of service rendered. Leave encashment has been provided on actuals.

H. Foreign Exchange transactions

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognized in the Profit and loss account. Foreign currency denominated monetary assets and liabilities at the year end are translated at the year end exchange rates and the resultant exchange difference is recognized in the Profit and Loss account. Non-monetary foreign currency items are carried at cost.

I. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Revenue.

J. Taxation

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

The deferred tax for timing difference between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date.

Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.

K. Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions required to settle are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation.

Contingencies are disclosed unless the likelihood of an outflow of resources is remote and there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

1. SHARE CAPITAL

(Amount in Rupees)

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
Authorised 1,00,00,000 (1,00,00,000) Equity Shares of Rs. 10/- each	100,000,000	100,000,000
Issued subscribed and fully paid up 7,39,200 (7,39,200) Equity Shares of Rs. 10/- each	7,392,000	7,392,000
Total	7,392,000	7,392,000

1.1 Reconciliation of the number of Equity shares outstanding is set out below:

Particulars	31st March 2020		31st March 2019	
	Nos.	Rs.	Nos.	Rs.
Equity Shares outstanding at the beginning of the year	739,200	7,392,000	739,200	7,392,000
Add: Issued during the year	-	-	-	-
Equity Shares outstanding at the end of the year	739,200	7,392,000	739,200	7,392,000

1.2 The details of shareholders holding more than 5% shares:

Sl. No.	Name of the Shareholder	As at 31st March 2020		As at 31st March 2019	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Smt. Archana Sanjay	48,726	6.59%	48,726	6.59%
2	Mr. R.P. Trivikram	1,29,371	17.50%	1,29,371	17.50%
3	Mr. Rajiv H Ramahalli	72,676	9.83%	72,283	9.78%
4	Mr. H.N. Shivananjaiah	1,02,540	13.87%	1,02,540	13.87%

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

2 RESERVES AND SURPLUS

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
a) General Reserve		
Opening Balance	11,883,941	11,883,941
Closing Balance	11,883,941	11,883,941
b) Surplus: Balance in Statement of Profit and Loss		
Opening balance:	26,369,639	71,497,378
Add/(Less): Net Profit/(Loss)for the current Period	50,070,263	-38,889,726
Less: Interim Dividend -	-5,174,400	
Less: Dividend Tax Payable -		-1,063,613
Closing Balance	76,439,902	26,369,639
Total	88,323,843	38,253,580

3 LONG TERM BORROWINGS

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
Secured		
Term loans from bank *	-	7,02,043
Total	-	7,02,043

* Secured by hypothecation of Vehicles and collaterally secured by personal Guarantee of Managing Director and other Director. The Loan is repayable at an interest rate of 10.40% p.a

Maturity profile of Secured Term Loans from Canara Bank is as set out below:

	Upto 1 year	1 - 2 years	2-3 years	> 3 years
Term loans from Banks	373,887	-	-	-

4 OTHER LONG TERM LIABILITIES

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
(a) Earnest Money Deposit Received	4,600,000	4,600,000
Total	4,600,000	4,600,000

The management informs that the whereabouts and existence of the party to whom a liability of Rs. 45,00,000/- is payable, to obtain confirmation and also making the payment is not possible. Due to this and going by the experience, it is classified as Long term. There are certain obligations on the party which has not been met and hence the same is payable after complying with the obligations.

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

5 LONG TERM PROVISIONS

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
Provision for employee benefits		
Provision for Gratuity	115,200	507,692
Total	115,200	507,692

5.1 Movement in Provisions

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
Opening Balance	507,692	797,638
Add: Provisions	115,200	23,076
Less: Payments / Transfers	507,692	313,022
Closing Balance	115,200	507,692

The above disclosure has been additionally furnished in addition to the disclosure for the items as required under Accounting Standard 29.

6. TRADE PAYABLES

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	14,895,000	15,876,000
Total	14,895,000	15,876,000

* There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2020. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified by the management on the basis of information available with the company.

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

7 OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
(a) Current maturities of long-term debt	373,887	787,267
(b) Unpaid dividends	1,704,096	1,481,830
(d) Other payables		
i) Liability for expenses	9,721,232	9,284,232
ii) Liability for Statutory Dues	378,662	6,395,145
iii) Advance from customers	186,438,347	143,859,348
Total	198,616,224	161,807,822

Outstanding Liabilities for Expenses includes environment fee payable Rs. 83,08,480/- (Rs. 83,08,480/-) outstanding to be paid out of the total fee demanded of Rs. 1,03,08,480/- in the year 2008-09.

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU

Notes on Financial Statements for the year ended 31st March 2020

8. PROPERTY PLANT & EQUIPMENT

Particulars	Gross Carrying Value				Depreciation / Amortisation				Net Carrying Value	
	As at 1st April 2019	Additions	Disposals / others	As at 31st March 2020	Upto 1st April 2019	Depreciation charge for the year	Adjustments during the year	Upto 31st March 2020	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Property Plant and Equipment										
Land ##	16,383,603	-	16,383,603	-	-	-	-	-	-	16,383,603
Factory Buildings	6,337,081	-	-	6,337,081	3,525,435	329,887	-	3,855,322	2,481,759	2,811,646
Computers	261,805	-	-	261,805	241,428	16,432	-	257,860	3,945	20,377
Furniture and Fixtures	271,594	-	-	271,594	206,420	23,776	-	230,196	41,398	65,174
Vehicles	6,186,865	-	2,016,100	4,170,765	4,278,284	566,816	1,486,865	3,358,235	812,530	1,908,581
Office equipment	328,040	-	-	328,040	181,428	37,436	-	218,864	109,176	146,612
Total	29,768,988	-	18,399,703	11,369,285	8,432,995	974,347	1,486,865	7,920,477	3,448,808	21,335,986
Previous Year	116,968,650	9,836,012	97,035,674	29,768,988	85,958,088	1,789,650	79,314,743	8,432,995	21,335,993	31,010,555

Some of the lands owned by the company are under dispute with respect to ownership which is being contested by the company in various Jurisdictional Courts, Tribunals and also before departmental authorities. Such lands are continued to be shown at cost pending Judicial verdict. The company is not in possession of Khatha document of certain lands.

The lands have been converted into Stock in Trade by the company effective from 24th August 2019 and the amount of Rs. 1,63,83,603/- under disposals/others represents the said conversion to Stock in trade.

The company has stopped the manufacturing activity and hence the building has been demolished completely in the year 2018-19 except to the extent of 20000 Sq ft which is in the occupation by a relative of an erstwhile Managing Director and 1522 Sq ft of office building at the factory.

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU

9. NON CURRENT INVESTMENTS

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
Other Investments (Refer A below)		
Long term, non trade, unquoted ,at cost,		
a) Tax Free Bonds (Rural Electrification Bonds)	1000000	1000000
b) Non Convertible Debentures 12.95% Debentures in Cholamandalam Investments and Finance Co Ltd.,	2266972	2266972
Total	3,266,972	3,266,972

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
Aggregate amount of unquoted investments	3,266,972	3,266,972

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

A Details of Other Investments

Sl. No.	Name of the Body Corporate	Subsidiary /Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs.)		Whether stated at Cost	If Answer to Column (9) is 'No' - Basis of Valuation
			As at 31st March 2020	As at 31st March 2019			As at 31st March 2020	As at 31st March 2019	As at 31st March 2020	As at 31st March 2019		
a)	Investment in Traded investments being Equity Instruments - Global Pipe Engineering Systems India Private Limited	Associate Company	241,612	241,612	Unquoted	Fully paid up	33.33%	33.33%			No	The diminution is based on the Management's estimate.

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

10 DEFERRED TAXES ASSET

Deferred Tax asset Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
Related to Fixed assets	2,270,692	21,62,416
Disallowances under Income Tax Act 1961 (43B and 40a(7))	2,302,736	1,456,377
Total	4,573,428	3,618,793

11 LONG TERM LOANS AND ADVANCES

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
<u>Other Loans and Advances</u>		
Unsecured and considered good		
Security Deposits #	1,324,923	1,324,923
Advance Tax (Net)	3,423,640	3,795,964
Others *	1,897,317	133,317
Total	6,645,880	5,254,204

* Includes a sum of Rs. 1764000/- being ineligible GST input Credit under reconciliation, has been considered as Non current since the management is not sure of realisation in the next 12 months.

Represents deposit with Electricity department which the management is not sure of realisation in the next 12 months and hence considered as Non Current.

12 INVENTORIES

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
Lands	16,382,131	-
Valued at cost or net realisable value whichever is lower		
Total	16,382,131	-

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

13 CASH AND CASH EQUIVALENT

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
a. Balances with Banks	270,814,789	185,441,529
b. Cash on hand	4,273	-
c. Other Bank Balances*	1,762,282	1,539,861
Total	272,581,344	186,981,390

* Balance with banks includes unclaimed Dividend of Rs. 17,62,282/- (Previous year Rs. 15,39,516/-)
The Balance with Banks for the year 2018-19 include the debit balance with Corporation Bank being a Cash credit which is secured by mortgage of the Company's Land and the guarantee of the Executive directors.

14 SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
Unsecured, considered good		
a. Loans and advances to related parties	-	-
b. Others		
- Advances to Suppliers and others	93,331	1,944
- Prepaid Expenses	63,288	38,671
Total	156,619	40,615

15 OTHER CURRENT ASSETS

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
Unsecured, considered good		
<u>Due from Related Parties</u>		
Due from Director	599,300	599,300
<u>Others</u>		
Interest Accrued on Investments	20,025	-
Interest accrued and due on Term deposits	362,267	
GST Input Credit	5,679,477	6,882,364
GST Cash Ledger	226,016	1,159,506
Total	6,887,085	8,641,170

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

16. REVENUE FROM OPERATIONS

(Amount in Rupees)

Particulars	2019-20	2019-20	2018-19	2018-19
	Rs.	Rs.	Rs.	Rs.
	Continuing Operations	Discontinuing Operations	Continuing Operations	Discontinuing Operations
Sale of Stoneware products	-	-	-	9,334,684
Less: Discount	-	-	-	3,733,873
Net Sales	-	-	-	5,600,811
Sale of Land	65,198,001			
Total	65,198,001	-	-	5,600,811

The company has converted the Lands into Stock in Trade on 24th August 2019 and the above sale of land is subsequent to the said date of conversion.

16.1 PARTICULARS OF SALE OF PRODUCTS

Particulars	2019-20	2019-20	2018-19	2018-19
	Rs.	Rs.	Rs.	Rs.
Stoneware pipes	-	-	-	5,600,811
Sale of Land	65,198,001	-	-	-
Total	65,198,001	-	-	5,600,811

There are no distinctly identifiable segments in the operation of the company. However the above additional details are provided.

17 . OTHER INCOME

Particulars	2019-20	2019-20	2018-19	2018-19
	Rs.	Rs.	Rs.	Rs.
	Continuing Operations	Discontinuing Operations	Continuing Operations	Discontinuing Operations
Interest Income on Term deposits	10,799,488	-	10,658,492	
Interest income on Bonds and Debentures	100,125	-	679,579	
Redemption on Investments	-	-	1,604,225	
Vehicle Hire charges	-	-	700,000	
Miscellaneous Income	26,127		1,179,398	
Total	10,925,740	-	14,821,694	-

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

18. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS & STOCK IN TRADE.

Particulars	2019-20	2019-20	2018-19	2018-19
	Rs.	Rs.	Rs.	Rs.
	Continuing Operations	Discontinuing Operations	Continuing Operations	Discontinuing Operations
Inventories (At Commencement)				
Finished Goods	-	-	-	9,334,701
Stock in Trade	-	-	-	-
Inventories (At Close)				
Finished Goods	-	-	-	-
Stock in Trade	16,382,131	-	-	-
	16,382,131	-	-	-9,334,701
Grand Total	16,382,131	-	-	-9,334,701

* The company has converted the Lands into Stock in Trade on 24th August 2019 and the above inventory at close represents cost after reducing of Rs. 1472/- Being the cost of the lands which have been sold during 2019-20.

Some of the lands owned by the company are under dispute with respect to ownership which is being contested by the company in various Jurisdictional Courts, Tribunals and also before departmental authorities. Such lands are continued to be shown at cost pending Judicial verdict.

19. EMPLOYEE BENEFITS EXPENSE

Particulars	2019-20	2019-20	2018-19	2018-19
	Rs.	Rs.	Rs.	Rs.
	Continuing Operations	Discontinuing Operations	Continuing Operations	Discontinuing Operations
(a) Salaries and incentives	2,640,000	-	2,669,087	72,500
(b) Contributions to Provident Fund and other Funds	-	-	-	12,115
(c) Gratuity	115,200	-	23,076	-
(d) Staff welfare expenses	199,544	-	168,855	-
Total	2,954,744	-	2,861,018	84,615

The Salaries represents payments made to Executive Directors. The amount of Remuneration has been accounted at Rs. 110000/- per month to each director as against the amount approved by the Shareholders at Rs. 500000/- per month (inclusive of all allowances and benefits). This is due to the reason that the directors have foregone the additional remuneration in view of the ongoing disputes and the restrictions imposed by the executor appointed by The National Company Law Tribunal not to draw the said additional remuneration.

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

19.1. As per Accounting Standard 15 “ Employee Benefits”, the disclosures as defined in the Accounting Standard are as below:

a. Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

Particulars	2019-20 Rs.	2019-20 Rs.	2018-19 Rs.	2018-19 Rs.
Employer’s contribution to Provident Fund	-	-	-	4,832
Employer’s contribution to Pension fund	-	-	-	2,128

b Defined Benefit Plan

The gratuity expense of Rs.1,15,200/- (Previous Year Rs. 23,076/-) is provided additionally for the year with respect to the employees, which is recognized based on the number of years of service rendered.

As per the Leave encashment policy of the company, the leave salary being a short term benefit is provided for eligible employees on actual basis on the basis of the leave standing to the credit of the employees.

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

20. FINANCE COSTS

Particulars	2019-20	2019-20	2018-19	2018-19
	Rs.	Rs.	Rs.	Rs.
	Continuing Operations	Discontinuing Operations	Continuing Operations	Discontinuing Operations
Interest expense	122,727		205,346	-
Total	122,727	-	205,346	-

21. OTHER EXPENSES

Sl. No.	Particulars	2019-20	2019-20	2018-19	2018-19
		Rs.	Rs.	Rs.	Rs.
		Continuing Operations	Discontinuing Operations	Continuing Operations	Discontinuing Operations
	Other Expenses				
1	Rent	544,500	-	540,000	-
2	Power & Fuel	21,289	-	28,586	667,144
3	Computer Maintenance	14,145	-	-	6,700
4	Insurance	38,671	-	125,389	-
5	Legal & Professional Fees	7,666,730	-	21,376,363	200,000
6	NCLT appointed Executor/ Observer Fees	2,183,700	-	1,065,000	-
7	Expenses on sales	776,330	-	-	15,000
8	Rates & taxes	853,763	-	779,831	1,330,385
9	Travel and Conveyance	588,715	-	365,247	365,247
10	Advertisement	238,008	-	192,980	-
11	Telephone & Internet Charges	45,533	-	24,144	24,144
12	Audit fees	750,000	-	360,000	-
13	Directors sitting fees	1,020,000	-	844,000	-
14	Postage and printing	403,788	-	437,092	-
15	Bad Debts	-	-	-	538,862
16	Bank Charges	26,277	-	42,965	42,965
17	Miscellaneous Expenses	782,816	-	550,178	-
	Total	15,954,265	-	26,731,775	3,190,447

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

21.1

Sr. No.	Audit fees	2019-20	2019-20	2018-19	2018-19
		Rs.	Rs.	Rs.	Rs.
		Continuing Operations	Discontinuing Operations	Continuing Operations	Discontinuing Operations
1	Payments to the Auditor as a. Auditor				
	a. an Auditor	360,000	-	260,000	-
2	b. for taxation matters,	100,000	-	40,000	-
3	c. for company law matters,	-	-		-
4	d. for other services,	290,000	-	60,000	-
	TOTAL	750,000	-	360,000	-

21.2. Expenditure in Foreign Currency - NIL

22. EXCEPTIONAL ITEMS

Particulars	2019-20	2019-20	2018-19	2018-19
	Rs.	Rs.	Rs.	Rs.
	Continuing Operations	Discontinuing Operations	Continuing Operations	Discontinuing Operations
Profit on Sale of Fixed Assets	499,443	-	26,248,155	-
Land cleaning and development Expenses	-	-	-15,606,026	-
Compensation Expenses	-	-		-14,000,000
Loss on Discarding of Assets	-	-		-10,329,283
Liabilities no longer payable reversed	-	-	30,000	-
Dimunition in Value of Investment	-	-	-1,208,060	-
TOTAL	499,443	-	9,464,069	-24,329,283

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

23. EARNING PER SHARE (Basic and Diluted)

Particulars	2019-20 Rs.		2018-19 Rs.
Profit / Loss(-) after Taxation	50,070,263		-38,889,726
Add: Prior period items	-		-
Add/Less: Exceptional Items	499,443		9,464,069
Less: Extraordinary items	-		-
Net Profit	49,570,820		-48,353,795
No. of shares outstanding	739,200		739,200
Earning per share before Prior Period and Exceptional items	67.06		(65.41)
Earning per share after Prior Period and Exceptional items	67.74		(52.61)

24. Contingent liabilities and Commitments	2019-20 Rs.		2018-19 Rs.
(i) Contingent Liabilities			
(a) Other money for which the company is contingently liable		*Refer Note Below	
(ii) Capital Commitments			
	-		-

***Others**

24.1 The Report of Karnataka Lokayuktha on illegal Mining in Karnataka has included the mining activities of Iron ore and also others(eg: Clay mining) in the Company's case. The matter has been decided by the Hon'ble Supreme Court prohibiting the Mining activities of the company. The company is contesting the above decision. The financial liability, if any, of the Company on the mining activities carried out arising out of the above proceedings is not ascertainable.

24.2 Liability if any, in respect of dispute before various Revenue authorities 17 Cases (11 Cases) on portions of Company's lands is not ascertainable.

24.3 There is a dispute over iron ore mining rights and a litigation is pending against the company before the Hon'ble High Court of Karnataka, which has been raised by a party. Liability if any, in respect of this dispute is not ascertainable.

24.4 Liability if any due to the Petition by some of the erstwhile directors and shareholders against the Company and the current Board of directors, which is currently pending before the Honourable

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

National Company Law Tribunal is not ascertainable (Refer Note 28.6) The matter is before arbitration hence in the opinion of the management, providing further information may be prejudicial to the interests of the Company.

24.5 In one of the cases which is under Stay order of the Honourable High Court of Karnataka a claim of alleged service arrangements entered into by the erstwhile Managing Director of the Company is under Litigation. In terms Para 72 of AS 29" Provisions Contingent Liabilities and Contingent Assets" no further details are disclosed.

24.6 Liabilities if any, arising on the company due to the penalty towards delayed filing of GST Returns, Cancellation of registration, etc., if any as detailed in Note 28.10 below is not ascertainable.

25. The Dividend proposed to be distributed to the Equity Shareholders is at Rs. 62 Per Equity Share.

26 RELATED PARTY DISCLOSURES

	2019-20 Rs.	2018-19 Rs.
Name of the party & Relationship with the Company		
Global Pipe Engineering & Systems India Private Limited Associate Company		
<u>Volume of Transactions during the year</u>	NIL	NIL

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

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RELATED PARTY DISCLOSURES		2019-20 Rs.	2018-19 Rs.
Payments to Key Management Personnel			
Proposed Dividends Sri. Karthik R.K. & Relatives	Director (upto 27-09-2020)		2,96,310
Sri. Rajiv H Ramahalli & Relatives	Executive Director	-	548,009
Sri. C.Vivekanand & Relatives	Director	-	246,092
Sri. Sanjay Jayatsen	Director	-	369,488
Sri. Anandram	Director	-	27,447
Sri. Ramu & Relatives	Director	-	276,612
Sri. Shivananjaiah H.N.	Executive Director	-	759,101
Sitting Fees paid			
Sri. C.Vivekanand	Director	260,000	175,000
Sri. Karthik R K	Director	-	172,000
Sri. Sanjay Jayatsen	Director	260,000	172,000
Sri. M.N Ramu	Director	260,000	173,000
Sri. M.M Anandaram	Director	-	152,000
Sri. Sampath Kumar	Director	240,000	-

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

26.

RELATED PARTY DISCLOSURES		2019-20 Rs.	2018-19 Rs.
Managerial Remuneration <u>Sri. R.K.Karthik</u>	Director (upto 27/09/2019)		
Car hire charges recei		-	700,000
Balance outstanding	-	599,300	599,300
<u>Sri. Rajiv H Ramahalli</u>	Whole Time director		
Remuneration	-	1,320,000	1,220,000
Gratuity	-	57,600	11,538
<u>Sri. Shivananjaiah</u>	Whole Time director		
Remuneration	-	1,320,000	1,220,000
Gratuity	-	57,600	11,538

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

27 LEASE DISCLOSURE

Lessee Disclosure

The company has a cancellable operating lease with respect to the office premises for which a monthly rent of Rs.,47,250/- (Previous Year Rs. 45,000/-) is being paid.

The amount of Lease rentals paid which is recognized in the Statement of profit and loss is Rs. 5,44,500/- (Previous Year Rs. 5,40,000/-)

Lessor Disclosure

The company had leased out a part of its factory premises under a cancellable lease to the relative of ex Managing Director. The portion of the factory building is quite old and the gross value of the same is difficult to ascertain. The lease agreement has expired during 2015-16 but the Lessee has not vacated the premises and the matter is under dispute before the Bangalore Rural Court. The amount of Lease rentals received during the year is Rs. NIL/- (PY Rs. NIL/-) The company has not recognised rental income for the year in the absence of certainty in collection.

28 OTHER NOTES

28.1 DISCONTINUING OPERATIONS

The company during the year 2018-19 was in the process of discontinuing the Stoneware pipes manufacturing activity. The company had stopped its manufacturing operations and liquidated all the existing inventory and other Movable assets and is no longer in the business of Stoneware Pipes manufacture. The Company started focusing on Real Estate Business activity.

There are no carrying amounts, as of the balance sheet date, of the total assets to be disposed of and the total liabilities to be settled with respect to the discontinuing operations except professional fees payable to the tune of Rs. NIL (Rs. 236000/-) and Goods and Services Tax to the tune of Rs. NIL (Rs. 1330385/-)

The amounts of revenue and expenses in respect of the ordinary activities attributable to the discontinuing operations during the financial year 2018-19 have been reported under the respective heads and some of the common expenditure have been apportioned towards the ordinary activities attributable to the discontinuing operations on an estimated basis at 50%.

The amounts of net cash flows attributable to the discontinuing operations during the financial year 2018-19 period have been suitably disclosed in the Cash Flow Statement and the same in the current financial year is NIL.

28.2 The items under Losses from Discontinuing operations for the financial year 2018-19 include an expenditure towards Compensation paid to a service provider for the premature termination of the Production contract with him. This settlement towards Rs. 1,40,00,000/- has been made vide conciliation proceedings. The sum of Rs. 1,40,00,000/- towards compensation payable to a Service has been discharged by way of sale of then existing inventory of Stoneware pipes and the sale of then Machinery. The existing Machinery and other fixed assets have been sold as per the best

estimate of the Management sans any valuation report since the company could not obtain valuation report due to the fact that the Machinery was outdated and does not fetch any buyers in the Open Market.

- 28.3 The company is in the business of Real Estate activity and major portion of lands are supported by definitive agreements and the ownership of certain lands are under dispute before Revenue Authorities. COVID 19 is a subsequent event. However there are no such transactions subsisting as on the balance sheet date which will be affected due to this event. The management does not foresee any adverse impact on its ability to continue as going concern and in meeting its liabilities as and when they fall due.
- 28.4 The Company's shares were listed with the Bangalore Stock Exchange Limited. The Bangalore Stock Exchange Limited subsequently became non-operational due to lack of trading activity on its platform. Due to which it opted for voluntary surrender of recognition and exit, through its letter dated 8th October 2013 to the SEBI, under the provisions of Circular No. CIR/MSD/DSA/14/2012 dated May 30, 2012 (hereinafter referred to as "Exit Circular, 2012") issued by the SEBI with respect to voluntary surrender of recognition and exit, in modification of their earlier circular issued in this regard. SEBI vide its order WTM/RKA/MRD/165/2014, dated 26th December 2014 allowed the exit of Bangalore Stock Exchange Limited as a stock exchange. As per the conditions specified in the "Exit Circular, 2012" the Companies exclusively listed on the stock exchange seeking exit, had to list their securities on any other recognized Stock Exchange, failing which they will cease to be a listed company and will be moved to the Dissemination Board by the exiting stock exchange. The promoters of the Company had consulted a Merchant Banker to obtain an opinion on exit offer. On the Merchant Banker's opinion and pursuant to circular issued by SEBI on October 10, 2016 on Exclusively Listed Companies (ELC), Exit Offer was provided to the public shareholders, by the promoters. Saffron Capital Advisors Private Limited, Merchant Bankers, were appointed as the Independent Valuer to determine the fair value of shares. As per Valuation Report issued by them, the fair value per equity share was Rs. 95.36/- (Rupees Ninety-Five and Thirty-Six paise only). The Company successfully completed all Exit offer formalities. Accordingly, the BSE vide its letter dated 23rd October 2018, confirmed the removal of the Company from the Dissemination Board, (DB)

The Exit Offer opened on 26th September 2017 and closed on 4th October 2017, during which period the shareholders could tender their shares and exit from the Company. However, shareholders could have tendered their shares even after closure of Offer period, up to 4th October 2018, i.e., up to one year from the close of the Exit Offer period. The number of the shareholders who have opted for the exit offer before 4th October 2018 were 9 Members (393 Shares)

- 28.5 The Company has in its books Investments with an Associate M/s Global Pipe Engineering & Systems India Private Limited to the tune of NIL (PY NIL) which represents the diminished value of the original investment of Rs. 24,16,120/- . The Networth of the Associate company is fully eroded and the Going Concern assumption is threatened. The management is of the opinion that there is total diminution other than temporary diminution. This has been done in compliance with the Accounting Standard 13 "Accounting for Investments". The Company does not have any significant influence in the said Associate which is operating under severe long term restrictions and in view of these conditions consolidation of financial statements is not considered necessary as prescribed under the Accounting Standard 21 "Consolidated Financial Statements" and the Accounting Standard 23 "Accounting for Investments in Associates".
- 28.6 The Petitioners and the Company along with other respondents in the petition which is presently before the Honourable National Company Law Tribunal have entered into a Joint Compromise petition

which has been accepted by the National Company Law Tribunal(NCLT). The NCLT has appointed an executor/Observer by its order dated 07/08/2018 to execute the terms of the Joint Compromise Petition and the Executor/Observer has filed his report with NCLT that the implementation of the JCP is remote due to various disputes and Litigations. The Executor has also specified the need of Honourable National Company Law Tribunal's approval on certain payments made prior to his assuming charge as the Executor/Observer based on the audited financial statements of the Company.

Any Sale of Land by the company should be made with the consent of Petitioners to the Joint Compromise Petition. The management confirms that all the sale made during the current financial year 2019-20 is with the consent of the Petitioners.

The terms of the Joint Compromise Petition as agreed by the petitioners and Respondents, allows sale of land but however one of the Petitioner(who is an erstwhile director and also the wife of erstwhile Managing Director) is occupying a portion of land without vacating even after the end of the lease period due to which the implementation of the JCP is affected.

- 28.7 Confirmation of balances have not been received on certain balances with third parties and including Earnest Money Deposit from Scorpio Minerals Rs. 45,00,000/- (PY Rs. 45,00,000/-), Advances received towards Sale of Site Rs.3,75,00,000/-(PY NIL), Environmental Fees payable Rs. 83,08,480/-(Rs. 83,08,480/-) and Investments Rs.22,66,972/-(Rs. NIL). However the management is of the opinion that the stated balances are correct and are receivable/payable at the stated values respectively. Hence the balances are subject to confirmation.
- 28.8 From the angle of ascertaining the correctness of the boundaries of the Company's Landed properties and also compiling all the linkages in the documentation of the properties and improving the physical condition of the site properties certain significant expenditure have been incurred during the preceding year 2018-19 which have been suitably disclosed under the appropriate expenditure heads.
- 28.9 The company has a Motor car valuing Rs. 7,18,881/- which was in the possession of a director in the year 2018-19 without approval and the same was seized from him in the current financial year.The company has claimed depreciation Rs. 2,84,032/- in 2018-19 on the same.
- 28.10 The company has defaulted in the area of compliance of Goods and Services Tax because of non filing of the periodic GST Returns in the year 2018-19 and also for certain months in the year 2019-20. The company was not able to comply due to the non cooperation of one of the then existing directors. This delay has not been condoned and has objected by the GST department which has proposed to disallow substantial Input Tax credit and consequential interest and penalty which is under dispute.
- 28.11 Previous year's figures have been regrouped and rearranged to make them comparable with current year's presentation.

Place : Bengaluru
Date : 12-11-2020

As per our report of even date.
for Nityananda & Co.
Chartered Accountants.
Firm Registration No. 012595S

Sd/-
Rajiv.H.Ramahalli
Executive Director
DIN- 00473445

Sd/-
H.N.Shivananjaiah
Executive Director
DIN- 02368798

Sd/-
M.N. Ramu
Chairman
DIN- 07268616

Sd/-
Vijayalakshmi C.J
Partner
Membership No. 510494

MYSORE STONEWARE PIPES AND POTTERIES LIMITED, BENGALURU
SUB SCHEDULES TO THE NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR
FOR THE YEAR ENDED 31ST MARCH 2020

1. EARNEST MONEY DEPOSITS

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
Scorpio Minerals	45,00,000	45,00,000
Mr. Puttabyrappa	-	-
Others	1,00,000	1,00,000
Total	46,00,000	46,00,000

2. TRADE PAYABLES

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
Agro Avenues Private Limited	51,84,000	70,56,000
Subramanya Gowda	97,11,000	88,200,00
Total	1,4895,000	1,58,76000

3. LIABILITIES EXPENSES

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
Environment Fee payable	83,08,480	83,08,480
Other outstanding expenses (Individual balances < 500000)	9,05,060	9,75752
TOTAL	97,21232	92,84,232