Independent Auditor's Report

To the Members of **CMI ENERGY INDIA PRIVATE LIMITED**

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of CMI Energy India Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and the Statement of Changes in Equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

<u>Auditor's Responsibility</u>

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Financial Statements are free from material misstatement.

KRISHNA NEERAJ & ASSOCIATES Chartered Accountants

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Financial Statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its Profit including Other Comprehensive Income, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

KRISHNA NEERAJ & ASSOCIATES Chartered Accountants

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations which would impact its financial position.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For KRISHNA NEERAJ & ASSOCIATES
Chartered Accountants
FRN: 023133N

CA. Krishna K. Neeraj
Partner
Membership No. 506669

Place: New Delhi
Date: 30th May 2018

Annexure 'A'

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

We report that:

i.
   a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
   b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
   c. The title deeds of immovable properties are held in the name of the company.

ii. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

iii. The company has not granted loans to body corporates covered in the register maintained under section 189 of the Companies Act, 2013 during the year

   a. The terms and conditions of the grant of such loans are not prejudicial to the company's interest;
   b. The terms of arrangement do not stipulate any repayment schedule and the loans are repayable on demand with interest.

iv. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

v. The company has not accepted any deposits from the public covered under sections 73 to 76 of the Companies Act, 2013.

vi. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

vii.

a. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2018 for a period of more than six months from the date they became payable

a. According to the information and explanations given to us, there is no amount payable in respect of income tax, service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes except the following

Financial Years	Law	Amount (Rs. Lakhs)
Related to Prior Years	TDS	1.84

viii. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company.

ix. Based on our audit procedures and according to the information given by the management, the money raised by way of initial public offer or further public offer (including debt instruments) and term loans have been applied for the purpose for which they were obtained.

x. According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. According to the information and explanations given to us, we report that managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

xii. The company is not a Nidhi Company. Therefore clause xii) of the order is not applicable to the company.

xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

xiv. The company has made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised.

xv. In our opinion and according to information and explanations given to us, The company has not entered into non-cash transactions with directors or persons connected with him.

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

For KRISHNA NEERAJ & ASSOCIATES
Chartered Accountants
FRN: 023233N

Place: New Delhi
Date: 30th May 2018

CA. Krishna K. Neeraj
Partner
Membership No. 506669

Annexure 'B'

Report on Internal Financial Controls Over Financial Reporting

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 CMI Energy India Private Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KRISHNA NEERAJ & ASSOCIATES
Chartered Accountants
FRN: 023233N

Place: New Delhi
Date: 30th May 2018

CA. Krishna K. Neeraj
Partner
Membership No. 506669

CMI Energy India Private Limited
Balance Sheet as at 31st March 2018

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	Note	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
ASSETS				
I **Non-current assets**				
(a) Property, plant and equipment	7	13,949.00	14,512.74	14,708.33
(b) Capital work in progress	7	422.20	255.56	505.56
(c) Intangible assets	8	77.63	157.22	237.80
(d) Financial assets				
(i) Investents	9	25.00	-	-
(ii) Loans	10	66.21	65.74	11.28
(iii) Other financial assets	11	302.41	338.44	0.39
(e) Deferred Tax Assets (Net)	12	1,449.41	1,542.05	-
(f) Other non-current assets	13	748.31	143.77	136.27
		17,040.17	17,015.53	15,599.61
II **Current assets**				
(a) Inventories	14	3,963.39	3,457.41	-
(b) Financial assets				
(i) Trade receivables	15	9,178.59	4,737.87	108.75
(ii) Cash and cash equivalents	16	5.51	26.74	145.07
(iii) Other bank balances	17	195.40	72.99	77.38
(iv) Loans	10	39.65	71.29	52.51
(v) Others financial assets	11	527.15	309.34	421.71
(c) Current tax assets (Net)	18	22.83	9.97	12.26
(d) Other current assets	19	1,070.64	2,396.61	2,998.58
		15,003.16	11,082.23	3,816.24
TOTAL ASSETS		32,043.33	28,097.76	19,415.86
EQUITY AND LIABILITIES				
III **Equity**				
(a) Equity share capital	20	12,531.62	12,531.62	12,531.62
(b) Other equity	21	(913.73)	(1,217.56)	(2,157.91)
Total equity		11,617.89	11,314.06	10,373.71
LIABILITIES				
IV **Non-current liabilities**				
(a) Financial liabilities				
(i) Borrowings	22	8,281.98	8,544.25	8,686.32
(b) Provisions	23	2.30	2.51	-
(c) Deferred Tax Liabilities (Net)	12		-	305.06
		8,284.28	8,546.75	8,991.37
V **Current liabilities**				
(b) Financial liabilities				
(i) Borrowings	24	3,320.55	2,084.86	-
(ii) Trade payables	25	2,661.53	3,262.36	7.42
(iii) Other financial liabilities	26	5,915.73	2,806.22	21.82
(c) Other current liabilities	27	243.16	82.40	21.54
(d) Provisions	23	0.19	1.11	-
		12,141.16	8,236.94	50.77
Total liabilities		20,425.44	16,783.69	9,042.15
TOTAL EQUITY AND LIABILITIES		32,043.33	28,097.76	19,415.86

Summary of significant Accounting policies 3

The accompanying notes (1-50) are an integral part of the financial statements

As per our report of even date
For Krishna Neeraj & Associates
Chartered Accountants
FRN: [illegible]

Krishna Neeraj
Partner
Membership No.: 506669
Place : New Delhi
Date : 30-05-2018

For and on behalf of the Board of Directors

Amit Jain
Director
DIN: 00041300

Vijay Kumar Gupta
Director
DIN: 00995523

Ankita Sharan
Company Secretary
ACS 37540

CMI Energy India Private Limited
Statement of profit & loss for the year ended 31st March 2018

(All amounts in Indian Rupees Lakhs unless otherwise stated)

		Particulars	Note	For the year ended 31st March 2018	For the year ended 31st March 2017
I		Revenue from operations	28	22,190.75	9,041.91
II		Other income	29	151.32	317.83
III		**Total income (I+II)**		22,342.07	9,359.74
IV		**Expenses**			
	(a)	Cost of raw material consumed	30	16,631.95	8,462.45
	(b)	Changes in inventories of finished goods, work-in-progress and stock in trade	31	181.41	(2,490.83)
	(c)	Excise duty on sale of goods		289.11	785.46
	(e)	Employee benefit expenses	32	1,100.92	722.39
	(f)	Finance costs	33	1,420.70	1,015.26
	(g)	Depreciation and amortization expense	34	908.18	879.45
	(h)	Other expenses	35	1,423.59	1,069.84
		Total expense		21,955.86	10,444.01
V		**Profit/(loss) before exceptional items and tax (III-IV)**		386.21	(1,084.28)
VI		Exceptional items			-
VII		**Profit/(loss) before tax (V+VI)**		386.21	(1,084.28)
VIII		**Income tax expense**			
	(a)	Current tax			-
	(b)	Deferred tax		(91.93)	1,847.10
		Total tax expense		(91.93)	1,847.10
IX		**Profit for the year (VII+VIII)**		294.28	762.83
X		**Other comprehensive income**			
		Items that will not be reclassified to profit or loss in subsequent periods:			
		(i) Remeasurements of post-employment defined benefit obligations		2.24	-
		(ii) Income tax effect		(0.70)	-
		Other comprehensive income for the year, net of tax		1.54	-
XI		**Total comprehensive income for the year (IX+X)**		295.82	762.83
XII		**Earnings per share in Rs.**	39		
		Basic earnings per equity share		2.36	6.09
		Diluted earnings per equity share		2.36	6.09

Summary of significant Accounting policies 3
The accompanying notes are an integral part of the financial statements

As per our report of even date
For Krishna Neeraj & Associates
Chartered Accountants
FRN: 023213N

Krishna K. Neeraj
Partner
Membership No. 506069
Place : New Delhi
Date : 30-05-2018

For and on behalf of the Board of Directors

Amit Jain
Director
DIN: 00041300

Vijay Kumar Gupta
Director
DIN: 00995523

Ankita Sharan
Company Secretary
ACS 37540

CMI Energy India Private Limited

Cash Flow Statement for the Year ended 31 March 2018

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	31 March 2018	31 March 2017
Cash flow from operating activities		
Profit after tax	294.28	762.83
Adjustment to reconcile profit before tax to net cash flows :		
Depreciation/amortization	908.18	879.45
Other comprehensive income	1.54	-
Deferred Tax	92.63	(1,847.10)
Capital reserve	8.01	177.53
Interest expense	1,420.70	1,015.26
Interest income	(139.10)	(54.39)
Operating profit before working capital changes	2,586.24	933.58
Movements in working capital:		
(Decrease)/increase in trade payables and other liabilities	2,669.45	6,100.20
(Decrease)/increase in short-term provisions	(0.91)	1.11
Decrease/(increase) in trade receivable	(4,440.72)	(4,629.12)
Decrease/(increase) in inventories	(505.98)	(3,457.41)
Decrease/(increase) in other assets	(122.41)	4.38
Decrease/(increase) in loans and advances	31.64	(18.78)
Decrease/(increase) in other current assets	1,095.30	716.62
Cash generated from operations	1,312.61	(349.43)
Direct taxes paid	-	-
Net cash flow from/(used in) operating activities (A)	1,312.61	(349.43)
Cash flows from investing activities		
Purchase of property, plant and equipment, including intangible assets, capital work in progress	(431.48)	(353.29)
Purchase of non-current investments	(25.00)	-
Decrease/(increase) in loans and advances	(0.47)	(54.47)
(Decrease)/increase in long-term provisions	(0.20)	2.51
Decrease/(increase) in other non-current assets	(568.50)	(345.55)
Interest received	139.10	54.39
Net cash flow from/(used in) investing activities (B)	(886.56)	(696.42)
Cash flow from financing activities		
Proceeds/(Repayment) from long-term borrowings	(262.27)	(142.07)
Proceeds from short-term borrowings	1,235.68	2,084.86
Interest paid	(1,420.70)	(1,015.26)
Net cash flow from / (used in) financing activities (C)	(447.28)	927.53
Net increase/(decrease) in cash and cash equivalents (A + B +C)	(21.24)	(118.33)
Cash and cash equivalents at the beginning of the year	26.74	145.07
Cash and cash equivalents at the end of the year	5.51	26.74
Components of cash and cash equivalents		
Cash on hand	0.05	10.36
Balances with banks:		
-In current accounts	5.46	16.38
Total cash and cash equivalents [Refer Note No. 12]	5.51	26.74

Note : The above Cash flow statement has been prepared under the Indirect method setout in Ind AS-7 'Statement of Cash Flow'.

Summary of significant Accounting policies 3

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Krishna Neeraj & Associates
Chartered Accountants
FRN: 023238N

Krishna K. Neeraj
Partner
Membership No.:506689
Place: New Delhi
Date : 30-05-2018

For and on behalf of the Board of Directors

Amit Jain
Director
DIN: 00041300

Vijay Kumar Gupta
Director
DIN: 00995523

Ankita Sharan
Company Secretary
ACS 37540

CMI Energy India Private Limited
Statement of changes in equity for the year ended 31st March 2018

(All amounts in Indian Rupees Lakhs unless otherwise stated)

(A) Equity share capital

	Note	Nos.	Rs. in Lakhs
As at 1 April 2016		12,531,623	12,531.62
Changes in equity share capital	20	-	-
As at 31 March 2017		12,531,623	12,531.62
Changes in equity share capital	20	-	-
As at 31 March 2018		12,531,623	12,531.62

(B) Other equity

Particulars	Securities Premium	Retained Earnings	Capital Reserve	Total other equity
Balance as at 1 April 2016	**20,931.16**	**(24,079.93)**	**990.87**	**(2,157.91)**
Profit for the year	-	762.83	-	762.83
Total comprehensive income for the year	-	**762.83**		**762.83**
Accounting for financial guarantee provided by holding company for credit facilities availed by Company	-	-	376.94	376.94
Derecognition of financial liability	-	-	(199.41)	(199.41)
Balance as at 31 March 2017	**20,931.16**	**(23,317.11)**	**1,168.39**	**(1,217.56)**
Balance as at 1 April 2017	**20,931.16**	**(23,317.11)**	**1,168.39**	**(1,217.56)**
Profit for the year	-	294.28	-	294.28
Other comprehensive income	-	1.54	-	1.54
Total comprehensive income for the year	-	**295.82**	-	**295.82**
Modification of terms of financial liability	-	-	8.38	8.38
Others	-	(0.37)	-	(0.37)
Balance as at 31 March 2018	**20,931.16**	**(23,021.66)**	**1,176.77**	**(913.73)**

The accompanying notes form an integral part of these financial statements

As per our report of even date
For Krishna Neeraj & Associates
Chartered Accountants
FRN: 023233N

Krishna K Neeraj
Partner
Membership No.: 506669
Place : New Delhi
Date : 30-05-2018

For and on behalf of the Board of Directors

Amit Jain
Director
DIN: 00041300

Vijay Kumar Gupta
Director
DIN: 00995523

Ankita Sharan
Company Secretary
ACS 37540

1. Corporate information

CMI Energy India Private Limited (formerly known as General Cable Energy India Pvt. Ltd.) ('the Company') is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. It is a wholly owned subsidiary of CMI Limited, a company listed in India, with equity shares listed on the BSE Limited and the National Stock Exchange of India Limited. The registered office of the Company is located at 501-503, New Delhi House, 27, Barakhamba Road, New Delhi-110001.

The Company is primarily engaged in manufacturing, trading, marketing and selling of low-tension, high-tension and extra high voltage power Cables and other specialty Cables; high capacity bare aerial conductors and other related activities.

These standalone financial statements are approved for issue by the Board of Directors on May 30, 2018.

2. Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended and the relevant provisions of the Companies Act, 2013.

For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP), to the extent applicable, and the presentation requirements of the Companies Act, 2013. These financial statements for the year ended 31 March 2018 are the first the Company has prepared in accordance with Ind AS.

The transition to Ind AS was carried out in accordance with Ind AS 101 First Time Adoption of Indian Accounting Standards with the date of transition as April 1, 2016. Refer Note No. 46.for information on how the Company adopted Ind AS.

The standalone financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and financial liabilities which are measured at fair value/ amortized cost (Refer accounting policy regarding financial instruments).

The standalone financial statements are presented in Indian Rupees Lakhs and all values have been rounded to the nearest Lakh with two decimal places, unless stated otherwise.

3. Significant accounting policies

The Company has applied the following accounting policies to all periods presented in the standalone financial statements.

a) Functional and presentation currency

The standalone financial statements are prepared in Indian Rupees, which is the Company's presentation currency and the functional currency for all its operations.

Krishna Neeraj & Associates Chartered Accountants

Ankita

b) **Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting date; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as non-current.

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

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

c) **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer which usually is on actual despatch of goods to the buyer. Amounts disclosed are inclusive of excise duty and net of returns and allowances, trade discounts, volume rebates, value added taxes and goods and service tax and amounts collected on behalf of third parties.

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Rendering of services
Revenue from services is recognised by reference to the stage of completion of work.

d) **Other Income**

i. **Interest Income**
Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable. Interest income is included in finance income in the statement of profit and loss.

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

iii. **Rental Income**
Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of profit and loss.

e) **Property, plant and equipment**
All property, plant and equipment are stated at historical cost, net of accumulated depreciation (other than freehold land) and accumulated impairment losses, if any.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Items such as spares are capitalized when they meet the definition of property, plant and equipment.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Likewise, expenditure towards major inspections and overhauls are identified as a separate component and depreciated over the expected period till the next overhaul expenditure.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance/life. All other expenses on existing property, plant and equipment, including day-today repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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Depreciation on property, plant and equipment is calculated using the straight-line method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives, as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

Freehold land is not depreciated.

Leasehold buildings are amortised over the duration of the shorter of the useful life or lease term.

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

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Capital work-in-progress represents cost of property, plant and equipment that are not yet ready for their intended use and are carried at cost determined as aforesaid.

f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets are not capitalised and the expenditure is recognised in the statement of profit and loss in the period in which the expenditure is incurred.

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

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

The Company does not have any intangible assets with indefinite useful lives.

Softwares are amortized on a straight line basis over a period of 5 years.

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

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1 April, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

g) Inventories

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

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

- Raw materials, components, stores and spares, packing materials and others: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first-in, first-out (FIFO) basis.
- Work in progress: cost includes cost of direct materials and labour and estimated overheads upto the stage of completion. Cost is determined on first-in, first-out (FIFO) basis.
- Finished goods: cost includes cost of direct materials, labour, cost of manufacturing, cost of conversion and other costs incurred in finishing the goods. Cost is determined on first-in, first-out (FIFO) basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first-in, first-out (FIFO) basis.
- Scrap is valued at estimated net realizable value.

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

h) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are expensed in the period in which they occur and are recognised in the statement of profit and loss using the effective interest method.

i) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

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For arrangements entered into prior to 1 April 2016, the Company has determined whether the arrangements contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee
A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

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

Leases in which a significant portion of the risk and rewards of ownership are not transferred to the Company are classified as operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Company as a lessor
Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the receipts are structured to increase in line with the expected general inflation to compensate for the expected inflationary cost increases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Leases are classified as finance leases when substantially all the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

j) **Income taxes**

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to

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compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside of profit or loss is recognized outside of profit or loss [either in other comprehensive income (OCI) or in equity]. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

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

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

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- in respect of taxable temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled by the Company and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of deductible temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and tax liabilities on a net basis.

k) Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The Company operates the following post-employment schemes:

a. Defined benefit plans in the nature of gratuity, and
b. Defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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The present value of the defined benefit obligation denominated in Indian Rupees is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

l) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

m) Provisions, contingent liabilities and contingent assets

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

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If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The unwinding of discount is recognized in the statement of profit and loss as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

n) **Financial instruments**
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified into four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

i. **Debt instruments at amortised cost**
A 'debt instrument' is measured at the amortised cost, if both the following conditions are met:
a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

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b. Contractual terms of the asset that give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

ii. Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii. Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

iv. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of

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investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investment in subsidiaries and joint ventures are carried at historical cost as per the accounting policy choice given by Ind AS 27.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets
In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities and deposits;
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in the subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on a twelve month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Financial liabilities

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Initial recognition and measurement
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings, etc.

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

i. **Financial liabilities at FVTPL**
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

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

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

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

o) **Financial guarantee contracts**
A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are measured at their fair values and recognised as income in the statement of profit and loss.

Where guarantees in relation to loans or other payables of group companies are provided for no compensation, the fair value are accounted for as contributions and recognised as part of cost of investment.

p) **Accounting for foreign currency transactions**

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Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupees (INR), which is the Company's presentation currency and functional currency.

Transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates that approximates the rate as at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All exchange differences are included in statement of profit and loss.

q) **Cash and cash equivalents**
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

r) **Dividends**
The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

s) **Earnings per share**

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share
Diluted earnings per share is calculated by dividing the profit attributable to the shareholders of the Company (after adjusting the corresponding income/ charge for dilutive potential equity shares, if any) by the weighted average number of equity shares outstanding during the financial year plus the weighted average number of additional equity shares that would have been issued on conversion of all the dilutive potential equity shares.

4. **Significant accounting judgments, estimates and assumptions**
The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures and the disclosure of contingent

liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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

Income taxes
The Company is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

In assessing the realisability of deferred tax assets, management considers whether it is probable, that some portion, or all, of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable incomes over the periods in which the deferred tax assets are deductible, management believes that it is probable that the Company will be able to realise the benefits of those deductible differences in future.

Employee benefit obligations
The cost of the defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note No.36.

Contingencies
Management judgment of contingencies is based on the internal assessments and opinion from the consultants for the possible outflow of resources, if any.

5. Recent accounting pronouncements

a) Ind AS 115 - Revenue from contract with customers:
Ind AS 115, Revenue from contracts with customers, deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard replaces Ind AS 18 Revenue and Ind AS 11 Construction contracts and related appendices.

The new standard is mandatory for financial years commencing on or after 1 April 2018 and early application is not permitted.

The company is in the process of assessing the detailed impact of Ind AS 115. Presently, the company is not able to reasonably estimate the impact that application of Ind AS 115 is expected to have on its financial statements, except that adoption of Ind AS 115 is not expected to significantly change the timing of the company's revenue recognition for product sales. Consistent with the current practice, recognition of revenue will continue to occur at a point in time when products are dispatched to customers, which is also when the control of the asset is transferred to the customer under Ind AS 115.

b) Appendix B to Ind AS 21 - Foreign currency transactions and advance consideration:
The MCA has notified Appendix B to Ind AS 21, Foreign currency transactions and advance consideration. The appendix clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency denominated contracts.

The amendment will come into force from 1 April 2018. The company is in the process of assessing the detailed impact of the amendment and its impact on the financial statements. The effect on adoption of Ind AS 21 is expected to be insignificant.

6. Merger of CMI Energy India Private Limited with CMI Limited

The Company had previously filed the Scheme of Amalgamation of CMI Energy India Private Limited with CMI Limited, holding company, w.e.f. 01/03/2016, being the Appointed Date, before the Hon'ble NCLT, New Delhi under the channel of fast track merger. The Hon'ble NCLT vide its Order dated 22nd December, 2017, has directed the Company to file application/Scheme of Amalgamation in accordance with the provisions

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of Section 230 & 232 of the Companies Act, 2013. Accordingly, the Company has now submitted fresh application with Hon'ble NCLT for sanction of amalgamation of both the Companies.

CMI Energy India Private Limited
Notes to the financial statements for the year ended 31st March 2018

(All amounts in Indian Rupees Lakhs unless otherwise stated)

7 Property, plant and equipment

Particulars	Freehold Land	Buildings	Leasehold Improvement	Plant and Equipments	Furniture and Fixtures	Office Equipments	Computer Equipments	Vehicles	Total
Deemed Cost*									
At 1 April 2016	2,251.73	5,906.43	3.48	8,287.96	82.04	125.07	295.75	-	16,952.46
Additions	-	-	-	599.03	3.19	-	-	0.53	602.75
At 31 March 2017	2,251.73	5,906.43	3.48	8,886.99	85.23	125.07	295.75	0.53	17,555.20
Additions	-	-	-	251.58	2.26	-	-	11.00	264.84
Disposals / adjustments	-	-	-	-	-	-	-	-	-
At 31 March 2018	2,251.73	5,906.43	3.48	9,138.57	87.48	125.07	295.75	11.53	17,820.04
Depreciation*									
At 1 April 2016	-	513.94	3.48	1,499.63	26.61	57.84	142.64	-	2,244.13
Charge for the year	-	188.33	-	531.40	7.76	23.70	47.13	0.01	798.33
Disposals / adjustments	-	-	-	-	-	-	-	-	-
At 31 March 2017	-	702.27	3.48	2,031.03	34.37	81.54	189.77	0.01	3,042.46
Charge for the year		188.33		572.04	8.01	22.34	37.81	0.05	828.58
Disposals / adjustments	-	-	-	-	-	-	-	-	-
At 31 March 2018		890.60	3.48	2,603.07	42.38	103.88	227.58	0.06	3,871.04
Net Block									
At 1 April 2016	2,251.73	5,392.49	-	6,788.34	55.43	67.23	153.11	-	14,708.33
At 31 March 2017	2,251.73	5,204.16	-	6,855.97	50.85	43.53	105.98	0.52	14,512.74
At 31 March 2018	2,251.73	5,015.83	-	6,535.51	45.10	21.19	68.17	11.47	13,949.00

Capital work-in-Progress	Rs. in lakhs
Deemed Cost*	
At 1 April 2016	505.56
Additions	-
Transfers	(250.00)
At 31 March 2017	255.56
Additions	166.64
Transfers	-
At 31 March 2018	422.20

*The Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value, as deemed cost, at the transition date.

8 Intangible assets

Particulars	Computer Software
Deemed Cost*	
At 1 April 2016	465.61
Additions	0.54
Disposals / adjustments	-
At 31 March 2017	466.15
Additions	-
Disposals / adjustments	-
At 31 March 2018	466.15
Amortization*	
At 1 April 2016	227.81
Charge for the year	81.12
Disposals / adjustments	-
At 31 March 2017	308.93
Charge for the year	79.59
Disposals / adjustments	-
At 31 March 2018	388.53
Net block	
At 1 April 2016	237.80
At 31 March 2017	157.22
At 31 March 2018	77.63

*The Company has elected to measure all of its intangible assets at their previous GAAP carrying value, as deemed cost, at the transition date.

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Notes to the financial statements for the year ended 31st March 2018

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9 Financial assets - Investments	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Investment in Subsidiary			
Equity instruments (unquoted)			
25,000 (31 March 2017: Nil, 1 April 2016: Nil) Equity Shares of Rs.100/- each Fully paid up of CMI Agro Ltd.	25.00	-	-
Total	25.00	-	-
Aggregate amount of quoted investments	-	-	-
Aggregate amount of unquoted investments	25.00	-	-
Aggregate amount of impairment in value of investments	-	-	-

10 Financial assets - Loans	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(a) Non Current Loans (Unsecured, Considered Good)			
Security Deposits *	64.40	64.40	11.28
Loans and Advances to Staff	1.81	1.34	-
Total Non Current Loans	66.21	65.74	11.28
(b) Current Loans (Unsecured, Considered Good)			
Security Deposits	39.65	71.29	52.51
Total Current Loans	39.65	71.29	52.51

* Security deposit are financial assets and are refundable in cash. These are measured based on effective interest method.

11 Financial assets - Other Financial Assets	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(a) Non Current			
Deposits with original maturity for more than 12 months (including interest accrued thereon)*		-	0.39
Financial Guarantee Premium	302.41	338.44	-
Total	302.41	338.44	0.39
(b) Current (Unsecured, Considered Good)			
Compensation for land acquisition		-	171.71
Financial Guarantee Premium	36.05	32.34	-
Advances Recoverable	491.11	277.00	250.00
Total	527.15	309.34	421.71

* lodged as security with sales tax authorities and it include interest accrued on Fixed Deposit

12 (a) Deferred Tax Assets/(Liabilities) (Net)	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Deferred tax assets relate to the following:			
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	1.10	1.41	-
Brought Forward Unabsorbed Depreciation	3,306.71	3,453.19	-
Others	0.03	-	-
Total (A)	3,307.83	3,454.60	-
Deferred tax liabilities relate to the following:			
Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation for financial reporting	(1,657.04)	(1,633.95)	-
Fair Valuation of Assets/ Liabilities	(196.63)	(278.60)	(305.06)
Others	(4.74)	-	-
Total (B)	(1,858.42)	(1,912.55)	(305.06)
Deferred Tax Assets/(Liabilities) (Net) (A+B)	1,449.41	1,542.05	(305.06)

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(b) Reconciliation of deferred tax	As at 31 March 2018	As at 31 March 2017
Opening Deferred Tax Assets/(Liabilities)	1,542.05	(305.06)
Deferred tax credit / (charge) recorded in statement of profit & loss	(91.93)	1,847.10
Deferred tax credit / (charge) recorded in OCI	(0.70)	-
Closing Deferred Tax Assets/(Liabilities)	1,449.41	1,542.05

(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate	As at 31 March 2018	As at 31 March 2017
Accounting profit/(loss) before income tax	386.21	(1,084.28)
Tax Expense as per Rate@ 31.20%; (PY 30.90%)	120.50	(335.04)
DTA not recognised earlier now recognised		(3,164.24)
DTL not recognised earlier now recognised	-	1,597.44
Effect of change in Tax rate from 30.90% to 31.20%	(13.94)	
Other	(14.63)	54.74
At the effective income tax rate of 24% (31 March 2017: (170%))	91.93	(1,847.10)

13 Other Non-Current Assets	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Capital advances (Unsecured, Considered good)	748.31	143.77	136.27
Total	748.31	143.77	136.27

14 Inventories	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(Valued at lower of cost and net realizable value)			
Raw Materials*	1,653.97	959.42	-
Work-in-Progress	1,157.04	1,403.53	-
Finished Goods	1,152.38	1,087.30	-
Stores and Spares		7.16	-
Total	3,963.39	3,457.41	-

*Raw materials include Goods-in-Transit Rs. Nil (31st March 2017: Rs 175.18 lakhs, 1st April 2016: Nil)

Note: Inventories have been hypothecated with the banks as decurity against working capital facilities.

15 Financial assets - Trade receivables	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Trade receivables	9,107.73	6,323.19	1,895.70
Receivables from related parties	1,656.18	-	-
Less : Allowance for bad and doubtful debts	(1,585.32)	(1,585.32)	(1,786.95)
Total receivables	9,178.59	4,737.87	108.75
Break-up of security details			
Secured, considered good	-	26.52	-
Unsecured, considered good	9,178.59	4,711.36	108.75
Doubtful	1,585.32	1,585.32	1,786.95
Total	10,763.91	6,323.19	1,895.70
Less : Allowance for bad and doubtful debts	(1,585.32)	(1,585.32)	(1,786.95)
Total	9,178.59	4,737.87	108.75

Note: Trade receivables have been hypothecated with the banks against certain working capital credit facilities.

16 Financial assets - Cash and Cash equivalents	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balances with banks:			
-In current accounts	5.46	1.38	45.07
-Deposits with original maturity of 3 months or less (including interest accrued thereon)@	-	15.00	100.00
Cash in hand	0.05	10.36	-
Total	5.51	26.74	145.07

@ Deposits are under bank lien for margin money against non fund based working capital credit facilities.

17 Financial assets - Other Bank Balances	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Deposits with original maturity for more than 3 months but not more than 12 months (including interest accrued thereon)#	195.40	72.99	77.38
Total	195.40	72.99	77.38

Deposits are under bank lien for margin money against non fund based working capital credit facilities.

18 Current Tax assets (Net)	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Advance Tax (Net)	22.83	9.97	12.26
Total	22.83	9.97	12.26

19 Other current assets	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balances with government authorities	279.05	1,471.67	1,096.68
Prepaid expenses	27.96	10.20	7.57
Advances to suppliers and vendors			
-Unsecured, considered good	763.63	914.74	1,894.33
-Unsecured, considered doubtful	10.24	10.24	15.73
Less : Provision for doubtful advances	(10.24)	(10.24)	(15.73)
Total	1,070.64	2,396.61	2,998.58

CMI Energy India Private Limited
Notes to the financial statements for the year ended 31st March 2018

(All amounts in Indian Rupees Lakhs unless otherwise stated)

20 Share capital	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Authorised share capital			
15,000,000 (31 March 2017: 15,000,000, 1 April 2016: 15,000,000) Equity Shares of Rs. 100/- each	15,000.00	15,000.00	15,000.00
Total	15,000.00	15,000.00	15,000.00
Issued, Subscribed and fully paid up shares			
12,531,623 (31 March 2017: 12,531,623, 1 April 2016: 12,531,623) Equity Shares of Rs. 100/- each, fully paid up	12,531.62	12,531.62	12,531.62
Total	12,531.62	12,531.62	12,531.62

(a) Reconciliation of shares outstanding at the beginning and at the end of reporting period

Particulars	As at 31st March 2018		As at 31st March 2017	
	No.	Rs. in Lakhs	No.	Rs. in Lakhs
Equity Shares at the beginning of the year	12,531,623	12,531.62	12,531,623	12,531.62
Add : Shares issued during the year			-	-
Equity Shares at the end of the year	12,531,623	12,531.62	12,531,623	12,531.62

Terms/ rights attached to equity shares
The company has only one class of equity shares having par value of Rs.100/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(b) Details of shareholders holding more than 5% shares in the company

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No.	% Holding	No.	% Holding	No.	% Holding
CMI Limited (Holding Company)	12,531,623	100.00%	12,531,623	100.00%	12,531,623	100.00%
	12,531,623	100.00%	12,531,623	100.00%	12,531,623	100.00%

(c) Other details of Equity Shares for a period of five years immediately preceding 31st March 2018

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
- Aggregate number of shares alotted as fully paid up pursuant to Contract without being received in cash	Nil	Nil	Nil
- Aggregate number of shares alloted as per fully paid up bonus shares	Nil	Nil	Nil
- Aggregate number of shares bought back	Nil	Nil	Nil

21 Other Equity	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Securities Premium	20,931.16	20,931.16	20,931.16
Retained earnings	(23,021.66)	(23,317.11)	(24,079.93)
Capital Reserve	1,176.77	1,168.39	990.87
Total	(913.73)	(1,217.56)	(2,157.91)

(i)	**Securities Premium**		
	Opening Balance	20,931.16	20,931.16
	Add : Addition on issue of equity shares		-
	Closing Balance	20,931.16	20,931.16
(ii)	**Retained earnings**		
	Opening Balance	(23,317.11)	(24,079.93)
	Add : Profit for the year	294.28	762.83
	Add : Other comprehensive income	1.54	-
	Less : Others	(0.37)	-
	Closing Balance	(23,021.66)	(23,317.11)
(iii)	**Capital Reserve**		
	Opening Balance	1,168.39	990.87
	Add: Accounting for financial guarantee provided by holding company for credit facilities availed by Company		376.94
	Add: Modification of terms of financial liability	8.38	-
	Less: Derecognition of financial liability		(199.41)
	Closing Balance	1,176.77	1,168.39

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22 Financial liabilities - Non Current Borrowings	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Secured Loans			
Term Loans from Banks	4,176.29	4,753.84	-
Term Loans from Others	81.69	-	-
Total (A)	4,257.98	4,753.84	-
Unsecured Loans			
Loans from related parties	4,622.51	4,388.91	8,686.32
Total (B)	4,622.51	4,388.91	8,686.32
Total Borrowings [C=A+B]	8,880.48	9,142.75	8,686.32
Current Maturities (Refer Note No. 23)	598.50	598.50	-
Non-current	8,281.98	8,544.25	8,686.32

The Company has not defaulted in the repayment of borrowings and interest as at Balance Sheet date.

Term loans from Banks are repayable in equal quarterly installments. The loans are secured by way of first pari passu charge on fixed assets of the Company, second pari passu charge on current assets of the Company and further secured by personal guarantee of Director Mr. Amit Jain.

Term loans from Others include term loans from NBFCs are repayable in equated monthly instalment (EMI). The loans are secured by way charge on specified plat & machinery of the Company and further secured by personal guarantee of Director Mr. Amit Jain.

Loans from related parties includes loan from holding company (CMI Limited) are repayable at the end of contract terms.

23 Provisions	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Provision for Gratuity	1.86	1.88	-
Provision for Leave Encashment	0.64	1.73	-
Total	2.50	3.61	-
Current	0.19	1.11	-
Non-current	2.30	2.51	-

24 Financial liabilities - Current borrowings	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Secured Loans			
Working capital facilities from Banks*	3,320.55	2,084.86	-
Total	3,320.55	2,084.86	-

Note:

i) Working capital facilities from banks are secured by way of first pari-passu charge on current assets of both (present and future) of the company and second pari-passu charge on the fixed assets of the Company. These facilities are further secured by way of first pari-passu charge on the immovable properties of the Company and personal guarantee of Director Mr. Amit Jain.

ii) The Company has not defaulted in the repayment of borrowings and interest as at Balance Sheet date.

25 Financial liabilities - Trade Payables	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Current			
Total outstanding dues of micro & small enterprises*		-	-
Others (including acceptances)	2,661.53	3,262.36	7.42
Total	2,661.53	3,262.36	7.42

*Based on the information available with the Company, no supplier has been identified, as at 31st March 2018, 31 March 2017 and 1st April 2016, who is registered under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not received any claim of interest from any supplier under the said Act.

26 Other financial liabilities	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Current Maturities of Non-Current Borrowings (Refer Note No.19)	598.50	598.50	-
Security deposits from customers		3.55	3.55
Advances from Related Parties	4,864.85	1,995.14	-
Other Payables	452.37	209.03	18.27
Total	5,915.73	2,806.22	21.82

27 Other current liabilities	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Statutory Dues	165.61	65.83	8.94
Advance from customers	77.55	16.57	12.60
Total	243.16	82.40	21.54

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(All amounts in Indian Rupees Lakhs unless otherwise stated)

28 Revenue from operations	31st March 2018	31st March 2017
Sales of Products (Including Excise Duty)	22,190.75	9,041.91
Total	22,190.75	9,041.91

29 Other Income	31st March 2018	31st March 2017
Interest Received	98.35	45.98
Miscellaneous Receipts	12.22	263.45
Interest Income from Financial Instruments at amortised cost	40.75	8.41
Total	151.32	317.83

30 Cost of Raw Materials Consumed	31st March 2018	31st March 2017
Raw Material		
Opening Stock	959.42	-
Add: Purchases	16,839.04	9,025.39
Less: Closing Stock of Raw Material	(1,653.97)	(959.42)
Total (A)	16,144.49	8,065.96
Stores, Spares and Packing Materials		
Opening Stock	7.16	-
Add: Purchases	480.30	403.64
Less: Closing Stock		(7.16)
Total (B)	487.46	396.48
Total Cost of Raw Material Consumed [A+B]	16,631.95	8,462.45

31 Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	31st March 2018	31st March 2017
Opening Stock of Finished Goods	1,087.30	-
Less: Closing Stock of Finished Goods	(1,152.38)	(1,087.30)
Total (A)	(65.08)	(1,087.30)
Opening Stock of Work-in-Progress	1,403.53	-
Less: Closing Stock of Work-in-Progress	(1,157.04)	(1,403.53)
Total (B)	246.49	(1,403.53)
Total Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade [A+B]	181.41	(2,490.83)

32 Employee Benefit Expenses	31st March 2018	31st March 2017
Salaries, Wages, Bonus and Other Benefits	1,075.03	708.00
Contribution to Provident and Other Funds	-	-
Workmen and Staff Welfare Expenses	25.89	14.39
Total	1,100.92	722.39

33 Finance Costs	31st March 2018	31st March 2017
Interest Expenses	1,237.56	1,008.22
Other Financial Charges	183.14	7.04
Total	1,420.70	1,015.26

34 Depreciation and amortization expense	31st March 2018	31st March 2017
Depreciation on Property Plant & Equipment (Read with Note No. 3)	828.58	798.33
Amortisation of Intangible assets (Read with Note No. 4)	79.59	81.12
Total	908.18	879.45

35 Other Expenses	31st March 2018	31st March 2017
Manufacturing Expenses		
Power & Fuel Charges	508.56	338.79
Other Manufacturing Expenses	169.93	132.69
Repairs to Building	17.92	27.73
Repair and Maintenance Other Assets	1.97	1.98
Repairs to Plant and Machinery	79.33	68.40
Total (A)	777.71	569.59
Administrative and Selling Expenses		
Auditors' Remuneration & Refreshment*	2.56	1.09
Advertisement and Publicity	0.15	1.00
Conveyance Expenses	16.65	7.25
Donation	0.01	0.05
Exchange Flactuation		6.29
Fees, Rates and Taxes	9.98	3.40
Festival Expenses	1.97	0.70
Freight & Cartage Outward (Net)	351.64	245.23
Insurance Charges	13.23	8.68
Legal & Professional Fees	71.53	98.26
Misc. Expenses	21.61	8.12
Postage & Courier Charges	0.66	0.21
Printing & Stationery	7.64	3.38
Rent	0.12	0.40
Security Service Charges	31.60	30.83
Telephone and Telecommunication Charges	5.10	4.17
Tour and Travelling Expenses	22.86	6.27
Selling Expenses	88.58	74.88
Total (B)	645.89	500.25
Total Other Expenses [C=A+B]	1,423.59	1,069.84

*Payment to auditor (including tax)	31st March 2018	31st March 2017
As auditor:		
Audit fee	2.00	0.50
Tax audit fee	0.50	-
In other capacity:		
Taxation matters	0.90	0.50
Other services (certification fees)	0.53	0.82
Total	3.93	1.82

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(All amounts in Indian Rupees Lakhs unless otherwise stated)

36 Employee benefit obligations

(A) Defined benefit plans

Gratuity:

Provision for gratuity is determined by actuaries using the projected unit credit method.

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

(i) *Changes in the present value of the defined benefit obligation are as follows:*

Particulars	Gratuity	Leave Encashment
Defined benefit obligation at at 1 April 2016	-	-
Interest expense	-	-
Current Service cost	1.79	1.65
Benefits paid	-	-
Actuarial (gain)/ loss	0.09	0.08
Defined benefit obligation at 31 March 2017	1.88	1.73
Interest expense	0.15	0.13
Current Service cost	1.11	0.47
Benefits paid	-	(0.73)
Actuarial (gain)/ loss	(1.28)	(0.97)
Defined benefit obligation at 31 March 2018	1.86	0.64

(ii) **The amount to be recognized in the Balance Sheet:**

Particulars	Gratuity	Leave Encashment
Net assets / (liability) recognized in balance sheet as provision as at 1 April 2016	-	-
Present value of obligation	1.88	1.73
Fair value of plan assets	-	-
Net assets / (liability) recognized in balance sheet as provision as at 31 March 2017	1.88	1.73
Present value of obligation	1.86	0.64
Fair value of plan assets	-	-
Net assets / (liability) recognized in balance sheet as provision as at 31 March 2018	1.86	0.64

(iii) **Amount recognised in Statement of Profit and Loss:**

Particulars	Gratuity	Leave Encashment
Interest Cost	-	-
Current service cost	1.79	1.65
Amount recognised in Statement of Profit and Loss for year ended 31 March 2017	1.79	1.65
Interest Cost	0.15	0.13
Current service cost	1.11	0.47
Amount recognised in Statement of Profit and Loss for year ended 31 March 2018	1.26	0.60

(iv) **Amount recognised in Other Comprehensive Income:**

Particulars	Gratuity	Leave Encashment
Actuarial (gain)/ loss on obligations	0.09	0.08
Actuarial (gain)/ loss on plan assets	-	-
Amount recognised in Other Comprehensive Income for year ended 31 March 2017	0.09	0.08
Actuarial (gain)/ loss on obligations	(1.28)	(0.97)
Actuarial (gain)/ loss on plan assets	-	-
Amount recognised in Other Comprehensive Income for year ended 31 March 2018	(1.28)	(0.97)

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(v) **The principal assumptions used in determining gratuity & leave encashment obligations for the Company's plans are shown below:**

Gratuity & Leave Encashment

Particulars	31st March, 2018	31st March, 2017
Average Past Service (Years)	1.50	1.00
Average Future Service (Years)	14.60	12.30
Average Age (Years)	43.40	45.70
Weighted average duration (Years) - Gratuity	16.00	11.00
Weighted average duration (Years) - Leave Encashment	15.00	11.00
Discounting rate	7.75% p.a.	7.75% p.a.
Salary Growth Rate	5.00% p.a.	5.00% p.a.

(vi) ***Sensitivity Analysis***

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Particulars	31st March 2018	
	Gratuity	Leave Encashment
Liability with 1% increase in Discount Rate	1.75	0.60
Liability with 1% decrease in Discount Rate	1.99	0.68
Liability with 1% increase in Salary Growth Rate	1.99	0.68
Liability with 1% decrease in Salary Growth Rate	1.74	0.60

(B) Defined contribution plans	31 March 2018	31 March 2017
Employer's Contribution to Provident Fund	-	-
Employer's Contribution to ESI	-	-
Employer's Contribution to NPS	-	-
Total	-	-

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Ankita

(All amounts in Indian Rupees Lakhs unless otherwise stated)

37 Segment information

The Company's operations predominately relate to Cables and accordingly this is the only reportable segment as per Ind AS 108 "Operating Segments".

Geographical Information

Particulars	31st March 2018	31st March 2017
1. Revenue from external customers		
- Within India	20,629.93	9,004.82
- Outside India	173.15	-
Total revenue per statement of profit and loss	20,803.08	9,004.82
The revenue information above is based on the locations of the customers		
2. Non-current operating assets		
- Within India	14,448.83	14,925.52
- Outside India	-	-
Total	14,448.83	14,925.52

Non-current operating assets for this purpose consist of property, plant and equipment, CWIP and intangible assets.

CMI Energy India Private Limited
Notes to the financial statements for the year ended 31st March 2018

(All amounts in Indian Rupees Lakhs unless otherwise stated)

38 A. Related Party Disclosures:

In accordance with the requirements of Ind AS - 24 'Related Party Disclosures' the names of the related parties where control exists/ able to exercise significant influence along with the aggregate transactions and year end balances with them as identified by the management in the ordinary course of business and on arms' length basis are given below:

(a) Holding Company:
CMI Limited

(b) Subsidiary Company:
CMI Agro Limited

(c) Key Management Personnel (KMP):

Mr. Amit Jain	Non-Executive Director
Mr. V. K. Gupta	Non-Executive Director
Mr. Pyare Lal Khanna	Non-Executive Director
Mr. Ramesh Chand	Non-Executive Director (resigned w.e.f 29.03.2018)
Mr. Manoj Bishan Mittal	Non-Executive Independent Director
Mr. Kishor Punamchand Ostwal	Non-Executive Independent Director
Ms. Archana Bansal	Non-Executive Independent Director
Mr. Ghan Shyam Dass	Chief Financial Officer of CMI Limited (Upto 04.12.2016)
Mr. Rattan Lal Aggarwal	Chief Financial Officer of CMI Limited (From 05.12.2016)
Ms. Ankita Sharan	Company Secretary

(d) Enterprises over which KMP/ relatives of KMP exercise significant influence :-
Dhruv Cables & Conductors
Parshawnath Cables Private Limited

B. Related Party Transactions

Particulars	Holding Co.		Subsidiary Co.		KMP		Other Related Parties		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Short-term Employee Benefits	-	-	-	-	5.70	3.74		-	5.70	3.74
Interest Paid/Payable	-	603.09	-	-		-	-	-		603.09
Reimbursement of expenses	439.62	297.21	-	-	-	-	-	-	439.62	297.21
Lease Rent Paid/Payable	0.14	0.13		-	-	-		-	0.14	0.13
JobWork Charges Paid/Payable	123.31	50.60	-	-		-	-	-	123.31	50.60
Purchases of raw materials	3,485.05	1,313.56	-	-	-	-	2,681.31	146.62	6,166.36	1,460.18
Purchases of fixed assets		1.18		-		-		-	-	1.18
Sales	1,387.67	37.09	-	-		-	7,051.95	-	8,439.62	37.09
Sales of fixed assets	16.27	-	-	-		-	-	-	16.27	-
FINANCE										
Unsecured Loans Received	-	-	-	-	18.00	20.00	-	-	18.00	20.00
Unsecured Loans Paid back		4,788.00	-	-	18.00	20.00		-	18.00	4,808.00
Short Term Loans & advances received	20,245.27	4,279.06	20.00	-	-	-		-	20,265.27	4,279.06
Short Term Loans & advances paid back	1,766.47	2,283.92	-	-	-	-		-	1,766.47	2,283.92
Corporate guarantee taken	10,384.49	6,788.10	-	-		-		-	10,384.49	6,788.10
YEAR END BALANCES										
Closing Debit Balances	-	-	-	-		-	1,656.18	42.12	1,656.18	42.12
Closing Credit Balances	9,467.36	6,384.05	20.00	-		-		-	9,487.36	6,384.05

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured. For the year ended 31 March 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2017: Nil, 1 April 2016: Nil)

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(All amounts in Indian Rupees Lakhs unless otherwise stated)

39 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year.

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

The following reflects the income and share data used in the basic and diluted EPS computation:

Particulars	31 March 2018	31 March 2017
Profit for the year	295.82	762.83
Weighted average number of equity shares in calculating basic EPS (absolute value in number)	12,531,623	12,531,623
Effect of dilution	-	-
Weighted average number of equity shares in calculating diluted EPS (absolute value in number)	12,531,623	12,531,623
Earnings per share		
- Basic (on nominal value of Rs. 100 per share) Rs./ share	2.36	6.09
- Diluted (on nominal value of Rs. 100 per share) Rs./ share	2.36	6.09

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(All amounts in Indian Rupees Lakhs unless otherwise stated)

40 Leases

Operating Lease

Company as a lessee:

The Company has taken certain immovable properties on operating lease. All operating leases entered into by the Company are cancelable on giving notice of one to three months.

Finance Lease

The company does not have any finance lease as at March 31, 2018.

41 Capital commitments

Particulars	31 March 2018	31 March 2017	1 April 2016
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		-	-

42 Contingent liabilities

Nature of Liability	31 March 2018	31 March 2017	1 April 2016
Counter Guarantee given to Company's Bankers for the Guarantee given by them on behalf of the Company (Net of Advances)	533.00	-	-
Claims against the Company not acknowledged as debts		-	-

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(All amounts in Indian Rupees Lakhs unless otherwise stated)

43 Financial Instruments measurements and disclosures

(a) **Financial instruments by category :**

Particulars	31st March 2018			31st March 2018			1st April 2016		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets									
Non-current									
Loans	-	-	66.21	-	-	65.74	-	-	11.28
Other Financial Assets	-	-	302.41	-	-	338.44	-	-	0.39
Current									
Trade receivables	-	-	9,178.59	-	-	4,737.87	-	-	108.75
Cash and cash equivalents	-	-	5.51	-	-	26.74	-	-	145.07
Other bank balances	-	-	195.40	-	-	72.99	-	-	77.38
Loans	-	-	39.65	-	-	71.29	-	-	52.51
Other financial assets	-	-	527.15	-	-	309.34	-	-	421.71
Total	-	-	10,314.92	-	-	5,622.42	-	-	817.07
Financial Liabilities									
Non-current									
Borrowings	-	-	8,281.08	-	-	8,544.25	-	-	8,686.32
Current									
Borrowings	-	-	3,320.55	-	-	2,084.86	-	-	-
Trade payables	-	-	2,661.53	-	-	3,262.36	-	-	7.42
Other financial liabilities	-	-	5,915.73	-	-	2,806.22	-	-	21.82
Total	-	-	20,179.78	-	-	16,697.69	-	-	8,715.55

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

Fair values

The carrying amounts of financial assts and liabilities carried at amortised cost are reasonable approximation of their fare value.

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(c) Fair value hierarchy :

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows based on the lowest level input that is significant to the fair value measurement as whole.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents assets and liabilities measured at fair value at 31 March 2018 and 31 March 2017:

Particulars	31st March 2018			31st March 2017		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets at amortised cost						
Security Deposits	-	-	64.40	-	-	64.40
Loans to employees	-	-	1.81	-	-	1.34
	-	-	66.21	-	-	65.74
Financial liabilities:						
Measured at fair value						
Financial liabilities at amortised cost						
Borrowings	-	8,880.48	-	-	11,227.61	-
	-	8,880.48	-	-	11,227.61	-

There are no transfers among levels 1, 2 and 3 during the year.

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(All amounts in Indian Rupees Lakhs unless otherwise stated)

44 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables, bank balances and short-term deposits, which arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is responsible to ensure that Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments.

(i) Interest rate risk
Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interests rate primarily relates to the Company's long-term debt obligations with floating interest rates. The Company's policy is to manage its interest cost using a mix of fixed & floating rate borrowings.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on borrowings at variable/ floating interest rates. With all the other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Interest rate sensitivity	Increase / Decrease in Basis points	Effect on profit before tax
31-Mar-18		
Base Rate	+50	(61.01)
Base Rate	-50	61.01
31-Mar-17		
Base Rate	+50	(56.14)
Base Rate	-50	56.14

Sensitivity is calculated based on the assumption that amounts outstanding as at reporting date were utilised for the entire financial year.

(ii) Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).
The Company has sales and purchases from outside India. The Company has transactional currency exposures arising from sales and purchases by an operating unit in currencies other than the unit's functional currency.
Exposures in foreign currency are managed through a natural hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Company strives to achieve asset liability offset of foreign currency exposures.
The Company's exposure to possible change in US$, EUR or other currency exchange rates is not material. With all the other variables held constant, the Company's profit before tax will not be affected materially through the impact on change of foreign currency rates.

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(iii) Price risk

Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and manufacture of copper cables and therefore require a continuous supply of copper. To meet requirements the Company enters into contracts to purchase copper.

The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

Equity price risk

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the Company's exposure to unlisted equity securities (other than investments in subsidiaries) at fair value was Rs. Nil.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans, other financial assets and financial guarantees.

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on credit rating and individual credit limits are defined in accordance with credit assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit assurance.

The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation and based on the assessment performed, the management has concluded that the impact of expected credit loss is not material and current provision made against trade receivables is adequate to cover the provision on account of expected credit loss.

The Company assesses the recoverability of other financial assets, potentially subject to credit risk, on regular basis. Factors such as business and financial performance of counterparty, their ability to repay, regulatory changes and overall economic conditions are considered to assess future recoverability.

(c) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset.

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of their financial investments, committed funding and projected cash flows from operations.

The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner. A balance between continuity of funding and flexibility is maintained through the use of bank borrowings. The Company also monitors compliance with its debt covenants. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

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The tables below summarise the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

As at 31-March-2018

Particulars	Carrying amount	Payable on demand	0-1 year	1-5 years	More than 5 years
Borrowings	12,201.03	3,320.55	598.50	6,486.47	1,795.51
Trade payables	2,661.53	-	2,661.53	-	-
Other Financial liabilities	5,317.22	-	5,317.22	-	-
Total	20,179.78	3,320.55	8,577.26	6,486.47	1,795.51

As at 31-March-2017

Particulars	Carrying amount	Payable on demand	0-1 year	1-5 years	More than 5 years
Borrowings	11,227.61	2,084.86	598.50	7,347.24	1,197.01
Trade payables	3,262.36	-	3,262.36	-	-
Other Financial liabilities	2,207.72	-	2,207.72	-	-
Total	16,697.69	2,084.86	6,068.58	7,347.24	1,197.01

As at 1-April-2016

Particulars	Carrying amount	Payable on demand	0-1 year	1-5 years	More than 5 years
Borrowings	8,686.32	-	-	8,686.32	-
Trade payables	7.42	-	7.42	-	-
Other Financial liabilities	21.82	-	21.82	-	-
Total					

45 Capital management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation and short-term and long-term borrowings.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio optimum. Net debt are non-current and current borrowings as reduced by cash and cash equivalents and other bank balances. Equity comprises all components including other comprehensive income.

The following table summarizes the capital of the Company:

Particulars	31 March, 2018	31 March, 2017	31 March, 2017
Cash and cash equivalents	5.51	26.74	145.07
Other bank balances	195.40	72.99	77.38
Total (a)	200.91	99.73	222.44
Non-current borrowings	8,281.98	8,544.25	8,686.32
Current borrowings	3,320.55	2,084.86	-
Current maturities of non-current borrowings	598.50	598.50	-
Total (b)	12,201.03	11,227.61	8,686.32
Net debt [c=b-a]	12,000.12	11,127.88	8,463.88
Total Capital (d)	11,617.89	11,314.06	10,373.71
Capital and net debt [e=c+d]	23,618.01	22,441.94	18,837.59
Gearing ratio [c/e]	50.81%	49.59%	44.93%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

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Amita

(All amounts in Indian Rupees Lakhs unless otherwise stated)

46 First time adoption of Ind AS

These financial statements, for the year ended 31 March 2018, are the first the Company has prepared in accordance with Ind AS. The preparation of these financial statements resulted in changes to the accounting policies as compared to most recent annual financial statements prepared under Previous GAAP. Accounting policies have been applied consistently to all periods presented in the financial statements. They have also been applied in preparing the Ind AS opening balance sheet as at 1 April 2016 for the purpose of transition to Ind AS and as required by Ind AS 101.

This note explains the principal adjustments made by the Company in restating its Previous GAAP financial statements, including the balance sheet as at 1 April 2016 and 31 March 2017 and statement of profit and loss for the year ended 31 March 2017.

(A) Ind AS optional exemptions applied:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

(a) Deemed cost

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per previous GAAP and used it as its deemed cost at the date of transition.

(c) Effect of changes in exchange rate

In respect of long term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period, the Company has elected to recognise exchange differences on translation of such long term foreign currency monetary items in line with its Previous GAAP accounting policy.

In respect of long term foreign currency monetary items recognised in the financial statements beginning with the first Ind AS financial reporting period, exchange differences are recognised in the statement of profit and loss.

(B) Ind AS mandatory exceptions

(a) Estimates

The estimates at 1 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with Indian GAAP apart from the following items where application of Indian GAAP did not require estimation:
- Impairment of financial assets based on expected credit loss model.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2016, the date of transition to Ind AS and as of 31 March 2017.

(b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly, the classification and measurement of financial assets has been made on the basis of the facts and circumstances existed at the date of transition.

Impact of transition to Ind AS

The following is a summary of the effects of the differences between Ind AS and previous GAAP on the Company's total equity and profit for the year previously reported under previous GAAP following transition to Ind AS.

Amrita

46.1 **Reconciliation of equity as at 1 April 2016 (date of transition to Ind AS)**

Particulars	Regrouped Indian GAAP	Adjustments	Ind AS	Foot Notes
Assets				
Non-current assets				
Property, plant and equipment	14,708.33	-	14,708.33	
Capital work in progress	505.56	-	505.56	
Intangible assets	237.80	-	237.80	
Financial assets				
Loans	11.28	-	11.28	
Other Financial Assets	0.39	-	0.39	
Other non-current assets	136.27	-	136.27	
	15,599.61	-	15,599.61	
Current assets				
Inventories	-	-	-	
Financial assets				
Trade receivables	108.75	-	108.75	
Cash and cash equivalents	145.07	-	145.07	
Other bank balances	77.38	-	77.38	
Loans	52.51	-	52.51	
Other financial assets	421.71	-	421.71	
Current Tax Assets (Net)	12.26	-	12.26	
Other current assets	2,998.58	-	2,998.58	
	3,816.24	-	3,816.24	
Total assets	19,415.86	-	19,415.86	
Equity and liabilities				
Equity				
Equity share capital	12,531.62	-	12,531.62	
Other equity	(2,840.09)	682.18	(2,157.91)	i
Total equity	9,691.53	682.18	10,373.71	
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	9,673.55	(987.23)	8,686.32	ii
Deferred Tax Liabilities (Net)	-	305.06	305.06	iii
	9,673.55	(682.18)	8,991.37	
Current liabilities				
Financial liabilities				
Trade payables	7.42	-	7.42	
Other financial liabilities	21.82	-	21.82	
Other current liabilities	21.54	-	21.54	
	50.77	-	50.77	
Total liabilities	9,724.33	(682.18)	9,042.15	
Total equity and liabilities	19,415.86	0.00	19,415.86	

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46.2 Reconciliation of equity as at 31 March 2017

Particulars	Regrouped Indian GAAP	Adjustments	Ind AS	Foot Notes
Assets				
Non-current assets				
Property, plant and equipment	14,512.74	-	14,512.74	
Capital work in progress	255.56	-	255.56	
Intangible assets	157.22	-	157.22	
Financial assets				
Loans	65.74	-	65.74	
Other Financial Assets	-	338.44	338.44	iv
Deferred Tax Assets (Net)	1,820.65	(278.60)	1,542.05	iii
Other non-current assets	143.77	-	143.77	
	16,955.68	59.84	17,015.53	
Current assets				
Inventories	3,457.41	-	3,457.41	
Financial assets				
Trade receivables	4,737.87	-	4,737.87	
Cash and cash equivalents	26.74	-	26.74	
Other bank balances	72.99	-	72.99	
Loans	71.29	-	71.29	
Other financial assets	277.00	32.34	309.34	v
Current Tax Assets(Net)	9.97	-	9.97	
Other current assets	2,396.61	-	2,396.61	
	11,049.89	32.34	11,082.23	
Total assets	28,005.57	92.18	28,097.76	
Equity and liabilities				
Equity				
Equity share capital	12,531.62	-	12,531.62	
Other equity	(1,840.95)	623.39	(1,217.56)	i
Total equity	10,690.67	623.39	11,314.06	
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	9,075.08	(530.84)	8,544.25	ii
Provisions	2.51	-	2.51	
	9,077.59	(530.84)	8,546.75	
Financial liabilities				
Borrowings	2,084.86	-	2,084.86	
Trade payables	3,262.36	-	3,262.36	
Other financial liabilities	2,806.22	-	2,806.22	
Other current liabilities	82.40	-	82.40	
Provisions	1.48	(0.37)	1.11	vi
	8,237.31	(0.37)	8,236.94	
Total liabilities	17,314.90	(531.21)	16,783.69	
Total equity and liabilities	28,005.57	92.18	28,097.76	

Anita

Footnotes to the reconciliation of equity as at 1 April 2016 and 31 March 2017

Note No.	Particulars	1st April, 2016	31st March, 2017
i	Accounting for loan from holding company at below market rate as per Ind AS 109	990.87	791.45
	Accounting for financial guarantee provided by holding company as per Ind AS 109	-	376.94
	Fair value gain/(loss) on financial instruments as per Ind AS 109	(3.63)	(266.40)
	Deferred Tax on Ind AS adjustments as per Ind AS 12	(305.06)	(278.60)
	Total	**682.18**	**623.39**
ii	Accounting for loan from holding company at below market rate as per Ind AS 109	(987.23)	(496.65)
	Amortization of processing fees at EIR as per Ind AS 109	-	(34.19)
	Total	**(987.23)**	**(530.84)**
iii	Deferred Tax on Ind AS adjustments as per Ind AS 12	305.06	(278.60)
	Total	305.06	(278.60)
iv	Accounting for financial guarantee provided by holding company as per Ind AS 109	-	338.44
	Total	-	338.44
v	Accounting for financial guarantee provided by holding company as per Ind AS 109	-	32.34
	Total	-	32.34
vi	Remeasurement of Defined Benefit Plans as per Ind AS 19	-	(0.37)
	Total	-	(0.37)

47 Reserve Reconciliation

Reserves & Surplus	1st April, 2016	31st March, 2017
As per IGAAP	(2,840.09)	(1,840.95)
Accounting for loan from holding company at below market rate as per Ind AS 109	990.87	791.45
Accounting for financial guarantee provided by holding company as per Ind AS 109	-	376.94
Fair value gain/(loss) on financial instruments as per IND AS 109	(3.63)	(266.40)
Deferred tax impact as per Ind AS 12	(305.06)	(278.60)
As per Ind AS	(2,157.91)	(1,217.56)

48 Profit reconciliation March 31, 2017

Nature of Adjustment	For the year ended March 31, 2017
Profit as per IGAAP	999.14
Other Incomes - Fair value gain on financial instruments	8.41
Finance Costs - Accounting for financial assets and liabilities	(271.55)
Employee Benefits - Remeasurement of Defined Benefit Plans	0.37
Deferred tax on above adjustments	26.45
Profit as per Ind AS	762.83

49 The disclosure relating to Specified Bank Notes held and transacted by the Company during the period from 8th November, 2016 to 30th December, 2016 in accordance with the amendment to Schedule III vide G.S.R. 308(E) dated 30 March, 2017 as issued by the Ministry of Corporate Affairs is not applicable to the Company for the year ended March 31, 2018.

50 Figures are rounded off to nearest rupees in Lakhs.

The accompanying notes are an integral part of the financial statements

For and on behalf of the Board of Directors

As per our report of even date attached
For Krishna Neeraj & Associates
Chartered Accountants
FRN: 02323N

Krishna K. Neeraj
Partner
Membership No.:506669
Place : New Delhi
Date : 30-05-2018

Amit Jain
Director
DIN: 00041300

Vijay Kumar Gupta
Director
DIN: 00995523

Ankita Sharan
Company Secretary
ACS 37540