

ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Ltd.)

ANNUAL ACCOUNTS

2016-2017

G. H. Choksi & Co.

Chartered Accountants

'Madhuban', Nr. Madalpur Underbridge, Ellisbridge, Ahmedabad - 380 006.
Dial : 91 - 79 - 30012009, 9925174555-56 Fax : 91 - 79 - 26569929 E-mail : info@gkcco.com

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
ARVIND ENVIOL LIMITED
[Formerly known as Arvind Accel Limited]
Ahmedabad.

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **ARVIND ENVISOL LIMITED** [Formerly known as Arvind Accel Limited] ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including other comprehensive income) 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.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS 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 in accordance with the Standards on Auditing 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give 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 Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on Ind AS financial statements.

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Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 31st March, 2017 and its profit and its cash flows for the year ended on that date.

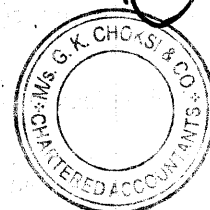
Report on Other Legal and Regulatory Requirements

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 Act, we give in the "Annexure – A", a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as 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.
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of written representations received from the directors as on 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to our best of our information and according to the explanations given to us :
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer Note 46 to the Ind AS financial statements.

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]
Chartered Accountants

John Choksi



ROHIT K. CHOKSI
Partner
Mem. No. 31103

Annexure - A to the Independent Auditors' Report even date on Ind AS Financial Statements of Arvind Envisol Limited [Formerly known as Arvind Accel Limited]

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals having regard to size of company and nature of its assets. According to information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us the company does not possess any immovable properties. Accordingly the clause 3(i)(c) of the Order is not applicable to the Company.
- (ii) According to information and explanation given to us, the Management of the Company has conducted physical verification of inventory at reasonable intervals and no material discrepancies were noticed on such physical verification during the year.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the clause 3(iii)(a) to 3(iii)(c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and securities.
- (v) According to information and explanations given to us, the Company has not accepted any deposits as defined in The Companies (Acceptance of Deposits) Rules 2014. Accordingly, the provisions of Clause 3(v) of the Order are not applicable to the Company.
- (vi) In our opinion and according to the information and explanation given to us, the Company is not required to maintain the cost records pursuant to rules made by the Central Government. As the aggregate value of turnover all products during immediately preceding financial year does not exceed thirty five crores. Accordingly the clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues and Company had no arrears of such outstanding statutory dues as at 31st March, 2017 for a period more than six months from the date they became payable *except as stated below* :

Statutory Due	₹ in Lacs
Professional Tax	2.73

- (b) According to the information and explanations given to us, the company has no disputed outstanding statutory dues as at 31st March, 2017.
- (viii) According to the information and explanations given to us, the Company has not defaulted in the repayment of loans and borrowings to financial institutions, banks, government or dues to debenture holders during the year.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loan during the year.
- (x) According to the information and explanations given to us, no fraud by company or any fraud on the company by its officers and employees have been noticed or reported during the year.



- (xi) According to the information and explanations give to us, the Company has not paid/provided for managerial remuneration.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

Rohit Choksi
ROHIT K. CHOKSI
Partner
Mem. No. 31103

Place : Ahmedabad
Date : 9th May, 2017



Annexure - B to the Independent Auditors' Report of even date on the Ind AS financial statements of Arvind Envisol Limited [Formerly known as Arvind Accel Limited]

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

We have audited the internal financial controls over financial reporting of **ARVIND ENVISOL LIMITED [Formerly known as Arvind Accel Limited]** ("the Company") as of 31st March 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

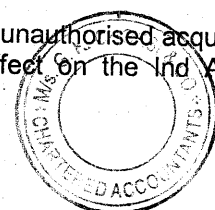
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal 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 judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

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 Ind AS 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

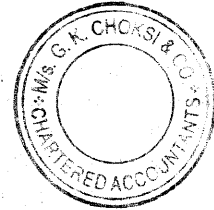
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria 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 G. K. CHOKSI & CO.

[Firm Registration No. 101895W]
Chartered Accountants

Rohit K. Choksi
ROHIT K. CHOKSI
Partner
Mem. No. 31103

Place : Ahmedabad
Date : 9th May, 2017



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Balance Sheet as at March 31, 2017

[₹ in Lacs]

Particulars	Notes	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
ASSETS				
I. Non-current assets				
(a) Property, plant and equipment	4	254.54	187.50	112.63
(b) Intangible assets	5	631.20	751.80	871.11
(c) Intangible assets under Development	6	9.98	1.03	0.00
(d) Financial assets				
(i) Investments	7	0.00	3 492.00	3 492.00
(e) Deferred tax assets (net)	30	60.55	371.84	48.52
Total non-current assets		<u>956.27</u>	<u>4 804.17</u>	<u>4 524.26</u>
II. Current assets				
(a) Inventories	8	690.82	1 174.42	1 518.29
(b) Financial assets				
(i) Trade receivables	9	2 902.56	3 198.94	572.76
(ii) Cash and cash equivalents	10	23.01	24.25	78.18
(iii) Bank balance other than (ii) above	11	0.00	9.09	8.52
(iv) Loans	12	2 300.00	5 500.00	0.00
(v) Others financial assets	13	735.59	691.32	388.69
(c) Other current assets	14	805.09	634.02	257.27
Total current assets		<u>7 457.08</u>	<u>11 232.03</u>	<u>2 823.71</u>
TOTAL ASSETS		<u>8 413.35</u>	<u>16 036.21</u>	<u>7 347.98</u>
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	15	21.00	5.00	5.00
Other equity	16	1 390.66	(581.13)	(1 875.29)
Total equity		<u>1 411.66</u>	<u>(576.13)</u>	<u>(1 870.29)</u>
LIABILITIES				
I. Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	17	22.57	19.00	7.04
(ii) Other financial liabilities		1.51	1.51	1.51
(b) Provisions	18	14.43	22.39	11.89
Total non-current liabilities		<u>38.51</u>	<u>42.90</u>	<u>20.44</u>
II. Current liabilities				
(a) Financial liabilities	17			
(i) Borrowings		4 113.76	9 772.26	7 702.57
(ii) Trade payables		927.46	1 919.51	545.87
(iii) Other financial liabilities		942.84	1 436.68	504.34
(b) Other current liabilities	19	214.26	1 569.57	199.03
(c) Current tax Liabilities(net)	20	206.53	249.04	46.38
(d) Provisions	18	558.33	1 622.38	199.64
Total current liabilities		<u>6 963.18</u>	<u>16 569.44</u>	<u>9 197.83</u>
TOTAL EQUITY AND LIABILITIES		<u>8 413.35</u>	<u>16 036.21</u>	<u>7 347.98</u>

Summary of significant accounting policies


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

As per our attached report of even date

FOR **G. K. CHOKSI & CO.**
(Firm Registration No. 101895W)
Chartered Accountants

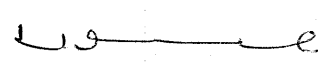
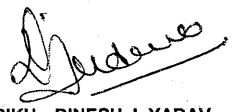
Rohit Choksi

ROHIT K. CHOKSI
Partner
Mem. No. 31103



Place : Ahmedabad
Date : 9th May, 2017

FOR AND ON BEHALF OF THE BOARD

NAISHADH I. PARIKH **DINESH J. YADAV**
 Director Director
 DIN : 00009314 DIN : 05148825

Place : Ahmedabad
Date : 9th May, 2017

ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Statement of profit and loss for the year ended March 31, 2017

[₹ in Lacs]

Particulars	Notes	Year ended March 31, 2017	Year ended March 31, 2016
Income			
Revenue from operations	21		
Sale of Products		9 907.58	11 393.11
Sale of Services		836.91	529.24
Other Operating Income		<u>273.25</u>	<u>77.72</u>
Revenue from operations		<u>11 017.74</u>	<u>12 000.07</u>
Other income	22	<u>700.10</u>	<u>148.61</u>
Total income		<u>11 717.84</u>	<u>12 148.67</u>
Expenses			
Cost of raw materials and accessories consumed	23	1 361.27	3 417.52
Purchase of stock-in-trade	24	3 672.47	2 444.33
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	57.39	807.88
Employee benefits expense	26	1 274.48	917.81
Finance costs	27	559.94	785.66
Depreciation and amortisation expense	28	155.15	148.02
Other expenses	29	<u>2 700.25</u>	<u>2 453.24</u>
Total expenses		<u>9 780.96</u>	<u>10 974.46</u>
Profit/ (loss) before tax		1 936.87	1 174.21
Tax expense			
Current tax	30	421.00	204.00
Tax in respect of earlier years		0.00	0.07
Deferred tax and MAT Credit		<u>317.10</u>	<u>(323.56)</u>
Total tax expense		<u>738.10</u>	<u>(119.49)</u>
Profit for the year		<u>1 198.77</u>	<u>1 293.70</u>
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent years:			
Re-measurement gains / (losses) on defined benefit plans		(16.80)	0.70
Income Tax Effect		5.82	(0.24)
Net other comprehensive income not to be reclassified to profit or loss in subsequent years		<u>(10.99)</u>	<u>0.46</u>
Total comprehensive income for the year, net of tax		<u>1 187.79</u>	<u>1 294.16</u>
Earning per equity share [nominal value per share ₹ 10/- (March 31, 2016: ₹ 10/-)]			
Basic	31	917.49	2 587.40
Diluted		917.49	2 587.40

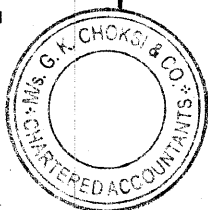
Summary of significant accounting policies

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

As per our attached report of even date

FOR **G.K. CHOKSI & CO.**
(Firm Registration No. 101895W)
Chartered Accountants

ROHIT K. CHOKSI
Partner
Mem. No. 31103



Place : Ahmedabad
Date : 9th May, 2017

FOR AND ON BEHALF OF THE BOARD

NAISHADH I. PARIKH **DINESH J. YADAV**
Director Director
DIN : 00009314 DIN : 05148825

Place : Ahmedabad
Date : 9th May, 2017

ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2017

[₹ in Lacs]

Particulars	For the year ended 31/03/2017	For the year ended 31/03/2016
A. Cash flow from operating activities		
Profit/(Loss) for the year before taxation	1 936.87	1 174.21
Adjustments for		
Depreciation and amortisation	155.15	148.02
Loss on Sale of Assets	1.33	0.91
Interest Expenses	559.94	785.66
Bad Debt Written off	92.25	0.00
Interest Income	235.39	(62.48)
Operating profit before working capital changes	2 980.93	2 046.32
Adjustments for		
Inventories	483.60	343.86
Trade and other receivables	204.13	(2 626.17)
Other Financial Assets	129.50	(265.98)
Other Bank Balances	9.09	(0.58)
Other Current Liabilities	(1 372.11)	1 372.37
Trade Payable	(992.05)	1 373.64
Other Financial Liabilities	2.43	3.33
Other Current Asset	(171.07)	(376.75)
Provisions	(1 072.01)	1 432.11
Cash generated from operations	202.44	3 302.15
Direct taxes Refund/(paid)	(463.50)	(1.40)
Net Cash from Operating Activities	[A] (261.06)	3 300.75
B. Cash flow from investing activities		
Purchase of Fixed Assets	(112.76)	(105.97)
Sale of Investments	3 492.00	0.00
Sale of Fixed Assets	0.89	0.45
Loan (Given) / Received	3 200.00	(5 500.00)
Interest Received	(409.16)	25.84
Net cash used in investing activities	[B] 6 170.97	(5 579.68)
C. Cash flow from financing activities		
Issue of share Capital	16.00	0.00
Securities Premium received	784.00	0.00
Short term / Long Term Borrowings	(5 654.93)	2 081.65
Interest Paid	(879.32)	(202.12)
Net cash flow from financial activities	[C] (5 734.25)	1 879.53
Net Increase/(Decrease) in cash and cash equivalents	[A+B+C] 175.66	(399.40)
Cash and cash equivalents opening	(321.22)	78.18
Cash and cash equivalents closing	(145.56)	(321.22)
Components of Cash and cash equivalent		
Balances with scheduled banks	(145.58)	(322.61)
Cheques on hand	0.00	1.00
Cash in hand	0.02	0.39
	(145.56)	(321.22)

Explanatory Notes to Cash Flow Statement

- The Cash Flow Statement is prepared by using indirect method in accordance with the format prescribed by Accounting Standard 3 as prescribed by The Institute of Chartered Accountants of India.
- In Part A of the Cash Flow Statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash outflows.
- Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.

As per our attached report of even date

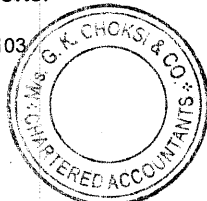
FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]
Chartered Accountants

ROHIT K. CHOKSI
Partner

Mem. No. 31103

Place: Ahmedabad
Date : 9th May, 2017



FOR AND ON BEHALF OF THE BOARD

(Signature)

NAISHADH I. PARIKH
Director

DIN : 00009314

Place: Ahmedabad
Date : 9th May, 2017

(Signature)

DINESH J. YADAV
Director

DIN : 05148825

ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Statement of changes in Equity for the year ended March 31, 2017

A. Equity share capital

	[₹ in Lacs]
Balance	
As at April 1, 2015	5.00
Issue of Equity Share capital	0.00
As at March 31, 2016	5.00
Issue of Equity Share capital	16.00
As at March 31, 2017	21.00

B. Other equity

Particulars	Reserves and Surplus					Total equity
	Capital Reserve (Refer note no. 34)	General Reserve	Retained Earnings	Securities Premium	Amalgamation Adjustment Reserve	
Balance as at April 1, 2015	49.65	1.00	(1 925.94)	0.00	0.00	(1 875.29)
Profit for the year	0.00	0.00	1 293.70	0.00	0.00	1 293.70
Other comprehensive income for the year	0.00	0.00	0.46	0.00	0.00	0.46
Addition during the year	0.00	0.00	0.00	0.00	0.00	0.00
Transfer to Amalgamation adjustment reserve	0.00	0.00	1 294.16	0.00	0.00	1 294.16
Balance as at March 31, 2016	49.65	1.00	(34.17)	0.00	34.17	0.00
Balance as at April 1, 2016	49.65	1.00	(665.95)	0.00	34.17	(581.13)
Profit for the year	0.00	0.00	(665.95)	0.00	34.17	(581.13)
Addition during the year	0.00	0.00	1 198.77	0.00	0.00	1 198.77
Other comprehensive income for the year	0.00	0.00	0.00	784.00	0.00	784.00
Balance as at March 31, 2017	49.65	1.00	(10.99)	784.00	0.00	(10.99)
	49.65	1.00	521.84	784.00	34.17	1 390.66

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

As per our attached report of even date

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]

Chartered Accountants



ROHIT K. CHOKSI
Partner

Mem. No. 31103

Place : Ahmedabad

Date : 9th May, 2017

FOR AND ON BEHALF OF THE BOARD

(Signature)

NAISHADH I. PARIKH
Director

DIN : 00009314

Place : Ahmedabad

Date : 9th May, 2017

DINESH J. YADAV
Director

DIN : 05148825

ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes to the Financial Statements

1. Company Overview

Arvind Envisol Limited (Formerly known as Arvind Accel Limited) (hereinafter referred to as "the Company"), is a company domiciled in India. The company was incorporated on 12th March, 2008. The address of company's registered office is Arvind Limited Premises, Naroda Road, Ahmedabad-380 025. AAL has also diversified in other water and waste water related businesses like undertaking operation and maintenance contracts and trading in water treatment items like membranes and chemicals etc.

Over last seven years of our existence, we have gained expertise in EPC contracts, O&M and trading in water treatment segment. We intend to continue our operations in foreseeable future, at least for the next five years.

2. Basis of Preparation

The Ministry of Corporate Affairs ("the MCA"), Government of India, in exercise of the powers conferred by Section 133 read with Section 469 of the Companies Act, 2013 (the "Act") and subsection 1 of Section of 210A of the Companies Act, 1956 (the Erstwhile Act) in consultation with National advisory Committee on Accounting Standards vide G.S.R. 111(E) dated February 15, 2015 notified Rules called Companies (Indian Accounting Standard) Rules 2015, effective April 1, 2015. The MCA vide notification G.S.R. 365(E) dated March 30, 2016 issued certain amendments to Ind AS vide Companies (Indian Accounting Standards) Amendment Rules, 2016. The MCA vide notification G.S.R.404 (E) dated April 6, 2016 introduced amendment to Schedule III of the Act requiring companies to prepare the financial statements and compliance with Companies (Indian Accounting Standards) Rules, 2015.

The company has prepared its financial statements as per Ind AS for the financial year ended March 31, 2017 with April 1, 2015 being the date of transition. The comparative figures in the Balance Sheet as at March 31, 2016 and April 1, 2015 and Statement of Profit and Loss and Cash Flow Statement for the year ended March 31, 2016 have been restated accordingly. Accounting Policies have been consistently applied except where newly issued accounting standard is initially adopted or revision to the existing standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

I Statement of Compliance

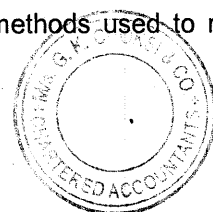
The Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with notes for the year ended March 31, 2017 have been prepared in accordance with Ind AS as notified above duly approved by the Board of Directors at its meeting held on 9th May, 2017.

II Basis of Measurement

The financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for certain Assets and Liabilities as stated below:

- (a) Financial assets at fair value through other comprehensive income are measured at Fair Value.
- (b) Financial instruments at Fair Value through profit or loss are measured at Fair Value.
- (c) The defined benefit asset is recognized as the net total of the Plan assets, plus unrecognized past service cost and unrecognized actuarial losses, less unrecognized actuarial gains and the present value of the defined benefit/ obligation.

The above items have been measured at Fair Value and the methods used to measure Fair Values are discussed further in Note C (xiv).



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes to the Financial Statements

III. Functional and Presentation Currency

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"). Indian Rupee is the functional currency of the Company.

The financial statements are presented in Indian Rupees (₹) which is the company's presentation currency.

IV. First Time Adoption of Ind AS

The financial statements for the year ended March 31, 2017 are the first financial statements prepared by the company in accordance with Ind AS.

For the periods up to and inclusive of year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards specified in Section 133 of the Companies Act, 2013 read together with Rule 7 of Companies (Accounting Standards) Rules 2014 (Previous GAAP). Reconciliation and description of the effect of translation from previous GAAP to Ind AS on equity, profit and cash flows are provided in Note 41. The Balance Sheet as on the date of transition has been prepared in accordance with Ind AS 101 "First time Adoption of Indian Accounting Standards".

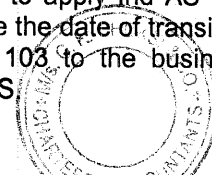
Ind AS 101 requires that all Ind AS effective for the first Ind AS financial statements, be applied consistently and retrospectively for all fiscal years presented. However, this standard provides some mandatory exceptions and optional exemptions to these general requirements in specific cases. The application of these exceptions and exemptions are as discussed below:

(a) Mandatory exceptions to retrospective application of other Ind AS

- (i) **Estimates:** An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies) unless there is an objective evidence that those estimates were in error. The company has not made any changes to estimates made in accordance with Previous GAAP.
- (ii) **Ind AS 109 - Financial Instruments (Derecognition of previously recognized Financial Assets/ Financial Liabilities):** An entity shall apply the derecognition requirements in Ind AS 109 prospectively for the transactions occurring on or after date of transition to Ind AS. The Company has applied the derecognition requirements prospectively.
- (iii) **Ind AS 109 "Financial Instruments" (Classification and Measurement of Financial Assets):** Classification and measurement of Financial Assets shall be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of Financial Assets and accordingly has classified and measured financial assets on the date of transition.
- (iv) **Ind AS 109 "Financial Instruments" (Impairment of Financial Assets):** Impairment requirements under Ind AS 109 should be applied retrospectively based on reasonable and supportable information that is available on the date of transition without undue cost or effort. The company has applied impairment requirements retrospectively.

(b) Optional exemptions from retrospective application of Ind AS

- (i) **Ind AS 103 "Business Combinations":** An entity may elect not to apply Ind AS 103 retrospectively to all business combinations that occurred before the date of transition to Ind AS. The company has elected not to apply Ind AS 103 to the business combinations that occurred before the date of transition to Ind AS.



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes to the Financial Statements

- (ii) Ind AS 16 "Property, Plant and Equipment"/ Ind AS 38 "Intangible Assets": An entity may elect to measure an item of property, plant, and equipment, and intangible asset at the date of transition to Ind AS at its fair value and use that fair value as deemed cost at that date or may measure the item of property, plant, and equipment, and intangibles by applying Ind AS retrospectively or use the carrying amount under Previous GAAP on the date of transition as deemed cost. The company has elected to continue with the carrying amount of all its property, plant, and equipment, and intangible assets measured as per previous GAAP and use that as its deemed cost as at the date of transition.

V Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expense during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the periods in which the estimates are revised and in future periods which are affected.

Estimates and assumption

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.

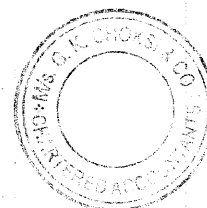
Defined benefit plans

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligation 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, mortality rates and future pension increases. 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, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

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

Further details about defined benefit obligations are provided in Note 35.



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes to the Financial Statements

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See Note 32 for further disclosures.

Allowance for uncollectible trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Additionally, a large number of minor receivables is grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has ₹ 172.17 Lacs (March 31, 2016 : ₹ 284.00 Lacs, April 1, 2015 : ₹ 80.00 Lacs) of tax credits carried forward. These credits expire in 15 years. The Company has taxable temporary difference and tax planning opportunities available that could partly support the recognition of these credits as deferred tax assets. On this basis, the Company has determined that it can recognise deferred tax assets on the tax credits carried forward. Further details on taxes are disclosed in Note 30.

Significant estimate of Warranty provision

The company generally offers 12 months warranties for the product sold. Management estimates the related provision for future warranty claims based on historical warranty claim information as well as recent trends that might suggest that past cost information may differ from future claims. The assumptions made in relation to the current period are consistent with those in the prior periods. Factors that could impact the estimated claim information include the success of the company's productivity and quality initiatives.



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes to the Financial Statements

3. Significant Accounting Policies

(i) Foreign Currency

Foreign Currency Transactions and Balances

Transactions in foreign currencies are initially recognized in the financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the relevant functional currency at the exchange rates prevailing at the reporting date. Non monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate prevailing on the date that fair value was determined. Non monetary assets and liabilities denominated in foreign currencies are measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency differences arising on translation are recognized in the Statement of Profit and Loss for determination of net profit or loss during the period.

(ii) Financial Instruments

(a) Financial Assets

Financial Assets comprises of investments in equity instruments, trade receivables, cash and cash equivalents and other financial assets.

Initial Recognition:

All financial assets are recognized 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 financial assets. Purchases or sales of financial assets that requires delivery of assets within a period of time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company committed to purchase or sell the asset.

Subsequent Measurement:

(i) Financial assets measured at Amortized Cost:

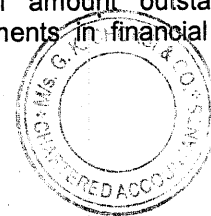
Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as a financial income in the statement of Profit and Loss.

The company while applying above criteria has classified the following at amortized cost:

- Trade Receivables
- Other Financial Assets

(ii) Financial assets at Fair Value through Other Comprehensive Income (FVTOCI):

Financial Assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair Value movements in financial assets at FVTOCI are recognized in Other Comprehensive Income.



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes to the Financial Statements

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the company classifies the same as FVTOCI. The classification is made on initial recognition and is irrevocable. Fair Value changes on equity instruments at FVTOCI, excluding dividends are recognized in Other Comprehensive Income (OCI).

(iii) Fair Value through Profit or Loss (FVTPL):

Financial Assets are measured at FVTPL if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the Statement of Profit and Loss.

Derecognition of Financial Assets:

Financial Assets are derecognized when the contractual rights to cash flows from the financial assets expire or the financial asset is transferred and the transfer qualifies for derecognition. On derecognition of the financial assets in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the Statement of Profit and Loss.

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 and credit risk exposure:

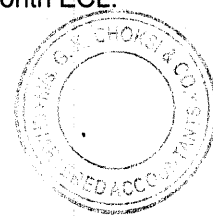
- (i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- (ii) Financial assets that are debt instruments and are measured as at FVTOCI

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- (i) Trade receivables or contract assets resulting from transactions within the scope of Ind AS 11 and Ind AS 18, if they do not contain a significant financing component
- (ii) Trade receivables or contract assets resulting from transactions within the scope of Ind AS 11 and Ind AS 18 that contain a significant financing component, if the Company applies practical expedient to ignore separation of time value of money, and
- (iii) All lease receivables resulting from transactions within the scope of Ind AS 17

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 that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a 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 12-month ECL.



ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

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 on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- (i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company is required to use the remaining contractual term of the financial instrument
- (ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected in a separate line under the head "Other expenses" in the P&L. The balance sheet presentation for various financial instruments is described below:
 - Financial assets measured as at amortised cost, contract assets and lease receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
 - Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
 - Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

(b) Financial Liabilities

Initial Recognition and Measurement

Financial Liabilities are initially recognized at Fair value plus any transaction costs that are attributable to acquisition of the financial liabilities except financial liabilities through profit or loss which are initially measured at Fair Value.



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes to the Financial Statements

Subsequent Measurement:

Financial Liabilities are classified for subsequent measurement into following categories:

(i) **Financial liabilities at Amortized Cost:**

The Company is classifying the following under amortized cost:

- Borrowing from Banks
- Borrowing from Others
- Trade Payables
- Other Financial Liabilities

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus cumulative amortization using the effective Interest Method of any differences between the initial amount and maturity amount.

(ii) **Financial liabilities at Fair Value through Profit or Loss:**

Financial liabilities held for trading are measured at FVTPL.

Derecognition of Financial Liabilities:

Financial liabilities shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

(c) **Offsetting of Financial assets and Financial Liabilities**

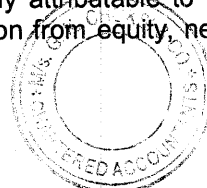
Financial assets and Financial Liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Company has legal right to offset the recognized amounts and intends either to settle on the net basis or to realize the assets and liabilities simultaneously.

(d) **Reclassification of Financial Assets**

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

(iii) **Share Capital**

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from equity, net of any tax effects.



ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

(iv) Property, Plant and Equipment

Property, Plant and Equipment is stated at cost less accumulated depreciation and where applicable accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labor and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have a different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within "other income / other expenses" in the Statement of profit and loss.

Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Profit and Loss.

Depreciation

Depreciation on property, plant and equipment is provided on the straight line method over useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act 2013.

When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

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

(v) Business Combinations

Business combinations are accounted for using Ind AS 103 "Business Combinations". Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquire. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103. The cost of acquisition measured at Fair Value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a Business Combination are measured initially at their fair value on the date of acquisition.

Transaction cost that the Company incurs in connection with Business Combination such as finder's fees, legal fees, due diligence fees and other professional and consulting fees are expensed as incurred.



ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

The acquisition of an asset or group of assets that does not constitute a "Business" as per Ind AS 103 is accounted for by identifying and recognizing the individual identifiable assets acquired and liabilities assumed. The cost of the group of assets is allocated to such individual identifiable assets and liabilities on the basis their relative fair values on the date of purchase.

Business Combinations involving entities or businesses under common control have been accounted for using the "Pooling of Interests Method".

(vi) Intangible assets

Intangible assets that are acquired by the company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of intangible assets.

Subsequent Expenditure

Subsequent expenditure is capitalized only when it increase the future economic benefits embodied in the specific asset to which it relates. All other expenditures, including the expenditure on internally generated goodwill and brands, are recognized in statement of profit and loss as incurred.

Amortization of Intangible assets with finite useful lives

Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to the company for its use. The management estimates useful lives for intangible assets as follows:

Computer Software	:	Over a period of five years
Patents and Technical Know How	:	Over a period of ten years
Software related to Patents and Technical Know How:	:	Over a period of ten years

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

(vii) Inventories

Inventories comprising of raw material at site, bought out material and traded goods are measured at the lower of cost (determined using first-in first-out method) and net realizable value. Cost comprises cost of purchase and all directly attributable costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated cost necessary to make the sale.

(viii) Impairment of non financial assets

The carrying amounts of the company's non- financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash generating unit is the greater of its vale in use and fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre- tax discount rate that reflects current market assessment of the time value of money and the risks specific to the assets. For the purpose of the impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized if the carrying amount of an assets or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of other assets in the unit or group of units on a pro rata basis.

ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes to the Financial Statements

Reversal of impairment loss

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

(ix) Employee benefits

Employee benefits are accrued in the period in which associated services are rendered by employees of the Company, as detailed below:

(a) Defined Contribution Plans

The Company's approved provident fund scheme, superannuation fund scheme, employees' state insurance fund scheme and Employees' pension scheme are defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(b) Defined Benefit Plans (Gratuity)

The employee's gratuity fund scheme and post-retirement medical benefit schemes are Company's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on the net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

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

- (i) The date of the plan amendment or curtailment, and
- (ii) The date that the Company recognises related restructuring costs Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:
 - Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
 - Net interest expense or income



ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

(c) Short Term Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, exgratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

(d) Other long term employment benefits:

The employee's long term compensated absences are Company's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognise the obligation on the net basis.

(x) Provisions

Provisions are recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rates that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with the contract.

(xi) Revenue Recognition

(a) Revenue from sale of Goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. Transfers of risks and rewards vary depending on the individual terms of the contract of sale.

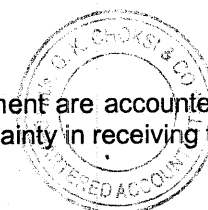
(b) Revenue from services

Revenue from services rendered is generally recognized in proportion to the stage of completion of the transaction at the reporting date. Revenue is recognised when the following conditions are met:

- (i) the amount of revenue can be measured reliably;
- (ii) it is probable that the economic benefits will flow to the Company;
- (iii) the stage of completion at the Balance Sheet date can be measured reliably; and
- (iv) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(c) Export Incentives

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes to the Financial Statements

(xii) Other Income

Finance income comprises of interest income on funds invested, fair value gains on financial assets at fair value through profit or loss. Interest income is recognized as it accrues in the Statement of Profit and Loss, using the effective interest method.

(xiii) Borrowing Costs

Borrowing Costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as expenses in the period in which they are incurred. To the extent, the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowing costs eligible for capitalization by applying a capitalization rate to the expenditure incurred on such asset. The capitalization rate is determined based on the weighted average of borrowing costs applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing costs that the Company capitalizes during a period does not exceed the amount of borrowing costs incurred during that period.

(xiv) Income Taxes

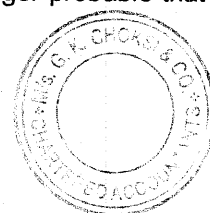
Income tax expense comprises current and deferred tax. Income tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rate enacted or substantively enacted at the reporting date. Minimum Alternate Tax (MAT) is accounted as current tax when the company is subjected to such provisions of the Income Tax Act. However, credit of such MAT paid is available when the Company is subjected to tax as per normal provisions in the future. Credit on account of MAT is recognized as an asset based on the management's estimate of its recoverability in the future.

Deferred Tax is recognized using the Balance Sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences:

- (i) the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and
- (ii) differences relating to investments in subsidiaries and associates to the extent that it is probable that they will not reverse in the foreseeable future.
- (iii) Arising due to taxable temporary differences arising on the initial recognition of goodwill as the same is not deductible for tax purposes.

Deferred Tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred Tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.



ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

Deferred Taxation arising on investments in subsidiaries and associates is recognized except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred taxation on temporary differences arising out of undistributed earnings of the equity method accounted investee is recorded based on the management's intention. If the intention is to realize the undistributed earnings through sale, deferred tax is measured at the capital gains tax rates that are expected to be applied to temporary differences when they reverse. However, when the intention is to realize the undistributed earnings through dividend, the company's share of the income and expenses of the equity method accounted investee is recorded in the Statement of Profit and Loss, after considering any taxes on dividend payable by the equity method accounted investee and no deferred tax is set up in the books as the tax liability is not with the company.

(xv) Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which includes share options granted to employees. To the extent that partly paid shares are not entitled to participate in dividends during the period, they are treated as the equivalent of warrants or options in the calculation of diluted earnings per share.

(xvi) Fair Value Measurement

A number of Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

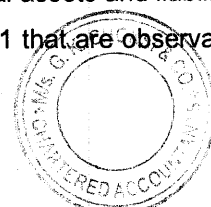
The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

- (i) Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.
- (ii) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (iii) Level 3- unobservable inputs for the asset or liability.



ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Investment in equity and debt securities

The fair value is determined by reference to their quoted price at the reporting date. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

(ii) Trade and other receivables

The fair value of trade and other receivables, excluding construction contracts in progress, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. However in respect of such financial instruments, fair value generally approximates the carrying amount due to short term nature of such assets. This fair value is determined for disclosure purposes or when acquired in a business combination.

(iii) Non derivative financial liabilities

Fair Value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

(xvii) Current / non- current classification

An asset is classified as current if:

- (a) it is expected to be realized or sold or consumed in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be realized within twelve months after the reporting period; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

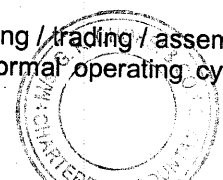
All other assets are classified as non-current.

A liability is classified as current if:

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

All other liabilities are classified as non-current.

The operating cycle is the time between acquisition of assets for processing / trading / assembling and their realization in cash and cash equivalents. The Company's normal operating cycle is twelve months.



ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

(xviii) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with a 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.



ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

4 Property, plant and equipment

The following table presents the changes in the property, plant and equipment during the year ended March 31, 2017

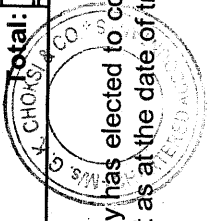
Particulars	Original Cost				Depreciation			Net Book value	
	As at April 1, 2016	Additions during the year	Deletions/ Adjustments during the year	As at March 31, 2017	For the year	Deletions/ Adjustments during the year	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Plant & machinery	131.88	74.14	0.00	206.01	14.43	0.00	23.23	182.78	123.07
Furniture & fixture	18.22	2.40	0.00	20.62	3.19	0.00	5.11	15.51	16.30
Vehicles	39.45	12.22	4.70	46.97	7.31	2.48	7.69	39.27	36.59
Office equipment	9.08	10.37	0.00	19.46	2.78	0.00	4.60	14.86	7.26
Computer, server & network	9.57	0.00	0.00	9.57	2.16	0.00	7.45	2.12	4.28
Total:	208.20	99.12	4.70	302.62	29.87	2.48	48.09	254.54	187.50

The following table presents the changes in the property, plant and equipment during the year ended March 31, 2016

Particulars	Original Cost				Depreciation			Net Book value	
	As at April 1, 2015	Additions during the year	Deletions/ Adjustments during the year	As at March 31, 2016	For the year	Deletions/ Adjustments during the year	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
Plant & machinery	61.84	70.04	0.00	131.88	8.80	0.00	8.80	123.07	61.84
Furniture & fixture	12.12	6.10	0.00	18.22	1.91	0.00	1.91	16.30	12.12
Vehicles	24.94	17.86	3.35	39.45	4.86	1.99	2.87	36.59	24.94
Office equipment	4.29	4.79	0.00	9.08	1.82	0.00	1.82	7.26	4.29
Computer, server & network	9.44	0.12	0.00	9.57	5.29	0.00	5.29	4.28	9.44
Total:	112.63	98.91	3.35	208.20	22.68	1.99	20.69	187.50	112.63

Note :

The company has elected to continue with the carrying amount of all its property, plant, and equipment, and intangible assets measured as per previous GAAP and use that as its deemed cost as at the date of transition (Refer Note No. 2(IV))



ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

5 Intangible Assets

The following table presents the changes in the Intangible Assets during the year ended March 31, 2017

Particulars	Original Cost				Depreciation			Net Book value	
	As at April 1, 2016	Additions during the year	Deletions/ Adjustments during the year	As at March 31, 2017	As at April 1, 2016	For the year	Deletions/ Adjustments during the year	As at March 31, 2017	As at March 31, 2016
Patent & Technical knowhow	869.74	0.00	0.00	869.74	124.20	124.25	0.00	248.45	745.54
Computer Software	7.40	4.69	0.00	12.09	1.14	1.03	0.00	2.18	6.26
Total:	877.14	4.69	0.00	881.83	125.34	125.28	0.00	250.62	751.80

The following table presents the changes in the Intangible Assets during the year ended March 31, 2016

Particulars	Original Cost				Depreciation			Net Book value	
	As at April 1, 2015	Additions during the year	Deletions/ Adjustments during the year	As at March 31, 2016	As at April 1, 2015	For the year	Deletions/ Adjustments during the year	As at March 31, 2016	As at March 31, 2015
Patent & Technical knowhow	869.74	0.00	0.00	869.74	0.00	124.20	0.00	124.20	869.74
Computer Software	1.38	6.03	0.00	7.40	0.00	1.14	0.00	6.26	1.38
Total:	871.11	6.03	0.00	877.14	0.00	125.34	0.00	751.80	871.11

Note :

The company has elected to continue with the carrying amount of all its property, plant, and equipment, and intangible assets measured as per previous GAAP and use that as its deemed cost as at the date of transition (Refer Note No. 2(IV))



ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

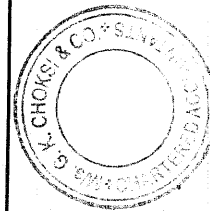
6 Intangible Assets under Development

The following table presents the changes in the Intangible Assets under Development during the year ended March 31, 2017

Particulars	[₹ in Lacs]				
	As at April 1, 2016	Additions during the year	Deletions/ Adjustments during the year	Capitalised during the year	As at March 31, 2017
Intangible Assets under Development	1.03	8.95	0.00	0.00	9.98
Total:	1.03	8.95	0.00	0.00	9.98

The following table presents the changes in the Intangible Assets under Development during the year ended March 31, 2016

Particulars	[₹ in Lacs]				
	As at April 1, 2015	Additions during the year	Deletions/ Adjustments during the year	Capitalised during the year	As at March 31, 2016
Intangible Assets under Development	0.00	1.03	0.00	0.00	1.03
Total:	0.00	1.03	0.00	0.00	1.03



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes to the Financial Statements

7 Investments

[₹ in Lacs]			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-current investment			
Investment in equity shares of others			
Unquoted			
Arvind Brands and Retails Limited	0.00	3 492.00	3 492.00
NIL (31st March 2016: 36,00,000, 1st April 2015: 36,00,000) Equity Shares			
Total equity Investments	<u>0.00</u>	<u>3 492.00</u>	<u>3 492.00</u>

8 Inventories (At lower of cost and net realisable value)

[₹ in Lacs]			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Raw materials			
Raw materials and components	111.53	67.79	96.91
Bought out Material	32.37	502.32	9.18
Stock-in-trade	546.92	604.31	1 412.19
Total	<u>690.82</u>	<u>1 174.42</u>	<u>1 518.29</u>

9 Trade receivables

[₹ in Lacs]			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
Secured, considered good	0.00	0.00	0.00
Unsecured, considered good	2 902.56	3 198.94	572.76
Less : Allowance for doubtful debts	0.00	0.00	0.00
Total Trade and other receivables	<u>2 902.56</u>	<u>3 198.94</u>	<u>572.76</u>

Write off

During the period, the company has made write offs of trade receivables amounting to ₹ 92.25 Lacs (P.Y. ₹ NIL) and it does not expect to receive future cash flow or recoveries from collection of cash flow previously written off.



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes to the Financial Statements

10 Cash and cash equivalent

[₹ in Lacs]			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balance with Bank			
Current accounts and debit balance in cash credit accounts	2.99	2.85	77.69
Cheques on hand	0.00	1.00	0.00
Cash on hand	0.02	0.39	0.49
In Deposit Account (with original maturity upto 3 months)	20.00	20.00	0.00
Total cash and cash equivalents	23.01	24.25	78.18

11 Other bank balance

[₹ in Lacs]			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deposits with original maturity of more than three months but less than 12 months	0.00	9.09	8.52
Total other bank balances	0.00	9.09	8.52

12 Loans

[₹ in Lacs]			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
Unsecured considered good			
Loans to related parties	800.00	4 000.00	0.00
Others	1 500.00	1 500.00	0.00
Total Loans	2 300.00	5 500.00	0.00



ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

13 Other financial assets

[₹ in Lacs]

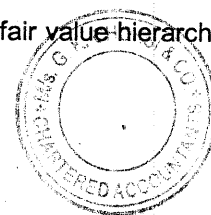
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
Unsecured considered good			
Security deposits	94.11	23.82	18.74
Accrued Interest	215.42	41.64	5.00
Unbilled Cost	0.00	244.85	244.85
Deposits With original maturity more than 12 months			
Held as Margin Money*	426.06	381.01	120.10
Total financial assets	735.59	691.32	388.69

* Under lien with bank as Security for Guarantee Facility

Financial assets by category

Particulars	FVTPL	FVOCI	Amortised cost
March 31, 2017			
Investments			
- Equity shares	0.00	0.00	0.00
Trade receivables	0.00	0.00	2 902.56
Loans	0.00	0.00	2 300.00
Cash & cash equivalents	0.00	0.00	23.01
Other Bank Balance	0.00	0.00	0.00
Other financial assets	0.00	0.00	735.59
Total Financial assets	0.00	0.00	5 961.16
March 31, 2016			
Investments			
- Equity shares	0.00	3 492.00	0.00
Trade receivables	0.00	0.00	3 198.94
Loans	0.00	0.00	5 500.00
Cash & cash equivalents	0.00	0.00	24.25
Other Bank Balance	0.00	0.00	9.09
other financial assets	0.00	0.00	691.32
Total Financial assets	0.00	3 492.00	9 423.59
April 1, 2015			
Investments			
- Equity shares	0.00	3 492.00	0.00
Trade receivables	0.00	0.00	572.76
Cash & cash equivalents	0.00	0.00	78.18
Other Bank Balance	0.00	0.00	8.52
other financial assets	0.00	0.00	388.69
Total Financial assets	0.00	3 492.00	1 048.15

Fair value disclosures for financial assets and liabilities are in Note 32(i) and fair value hierarchy disclosures for investment are in Note 32(ii).



ARVIND ENVISOL LIMITED
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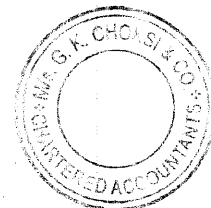
Notes to the Financial Statements

14 Other current assets

	[₹ in Lacs]		
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured considered good			
Advance to suppliers	93.76	228.05	64.10
Advance to Employees	33.47	24.77	5.41
Balance with Revenue Authorities	632.34	355.56	180.96
Prepaid expenses	11.00	25.54	6.80
Other Current Asset	34.52	0.10	0.00
Total	805.09	634.02	257.27

The amount dues by :

Directors	NIL	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL	NIL
Firms or private companies in which any director is partner or director or a member.	NIL	NIL	NIL



ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

Particulars	[₹ in Lacs]	
	As at 31st March, 2017	As at 31st March, 2016
15 Equity share capital		
Authorised share capital		
20,00,000 (March 31, 2016: 10,00,000; April 01, 2015: 10,00,000) Equity Shares of ₹ 10/-each	200.00	100.00
Issued and subscribed share capital		
2,10,000 (March 31, 2016: 50,000; April 01: 50,000) Equity Shares of ₹10/ each fully paid up	21.00	5.00
Subscribed and fully paid up		
2,10,000 (March 31, 2016: 50,000; April 01: 50,000) Equity Shares of ₹10/ each fully paid up	21.00	5.00
Total	21.00	5.00

Reconciliation of number of shares outstanding at the beginning and at the end of the Reporting year

Particulars	[₹ in Lacs]	
	As at 31st March, 2017	As at 31st March, 2016
At the beginning of the year	50 000	50 000
Add :		
Shares issued for Cash	1 60 000	0
	2 10 000	50 000
Less		
Shares bought back / Redemption etc.	0	0
Outstanding at the end of the year	2 10 000	50 000



Terms/Rights attached to the equity shares

Equity Shares : The Company has only class of equity shares having a par value of ₹ 10/ per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

Number of Shares held by Holding Company

Particulars	Number of Equity Shares			Value (₹ in Lacs)		
	2016-2017	2015-2016	2014-2015	2016-2017	2015-2016	2014-2015
Holding Company (With Nominees)	2 10 000	50 000	50 000	21.00	5.00	5.00

Number of Shares held by each shareholder holding more than 5% Shares in the company

Particulars	Number of Equity Shares			Value (₹ in Lacs)		
	2016-2017	2015-2016	2014-2015	2016-2017	2015-2016	2014-2015
Arvind Limited (With Nominees)	2 10 000	50 000	50 000	21.00	5.00	5.00



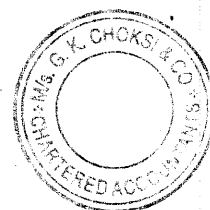
ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

16 Other Equity

16.1 Reserves and Surplus

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
			[₹ in Lacs]
Capital reserve			
Balance as per last financial statements	49.65	49.65	0.00
Add/Less: Adjustment for the year	0.00	0.00	49.65
Balance at the end of the year	<u>49.65</u>	<u>49.65</u>	<u>49.65</u>
General reserve			
Balance as per last financial statements	1.00	1.00	1.00
less: Adjustment of depreciation	0.00	0.00	0.00
Balance at the end of the year	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
Amalgamation Adjustment Reserve	34.17	34.17	0.00
Securities Premium			
Balance as per last financial statements	0.00	0.00	0.00
Add: During the Year	784.00	0.00	0.00
	<u>784.00</u>	<u>0.00</u>	<u>0.00</u>
Surplus in statement of profit and loss			
Balance as per last financial statements	(665.95)	(1 925.94)	(1 928.91)
Add: profit for the year	1 198.77	1 293.70	5.82
Add / (Less): OCI for the year	(10.99)	0.46	(0.64)
	<u>521.84</u>	<u>(631.78)</u>	<u>(1 923.74)</u>
Less: Appropriation			
Adjustment due to change in useful life of fixed assets	0.00	0.00	(2.20)
Adjustments due to demerger	0.00	(34.17)	0.00
Balance at the end of the year	<u>521.84</u>	<u>(665.95)</u>	<u>(1 925.94)</u>
Total reserves & surplus	<u>1 390.66</u>	<u>(581.13)</u>	<u>(1 875.29)</u>



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes to the Financial Statements

17 Financial liabilities

17.1 Long-term Borrowings

[₹ in Lacs]

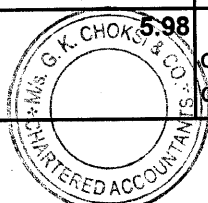
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Long-term Borrowings			
Non-current portion			
Secured			
Vehicle loan from Banks	22.57	19.00	7.04
Current maturities			
Secured			
Vehicle loan from Banks	7.28	4.76	1.49
Total long-term borrowings	<u>29.85</u>	<u>23.76</u>	<u>8.53</u>
Short-term Borrowings			
Unsecured			
Under Buyer's Credit Arrangement	689.36	0.00	0.00
Intercompany Deposits From Related Parties	3 424.40	9 772.26	7 702.57
Total short-term borrowings	<u>4 113.76</u>	<u>9 772.26</u>	<u>7 702.57</u>
Total borrowings	<u><u>4 143.61</u></u>	<u><u>9 796.02</u></u>	<u><u>7 711.10</u></u>

Nature of security:

Vehicle Loans amounting to ₹ 29.85 Lacs (₹ 23.76 Lacs at March, 31st 2016, ₹ 8.53 Lacs at April, 01, 2015) is secured by vehicle.

Rate of Interest and Terms of Repayment

Particulars	[₹ in Lacs]	Terms of Repayment from Balance sheet date
HDFC Bank Limited		
Account no. - 30095497	5.43	Loan is repayable in monthly installments of ₹ 18,965/- commencing from January, 2015 and last installment falls due on December, 2019.
Account no. - 33349781	7.02	Loan is repayable in monthly installments of ₹ 20,804/- commencing from August, 2015 and last installment falls due on July, 2020.
Account no. - 38175853	6.66	Loan is repayable in monthly installments of ₹ 17,074/- commencing from March, 2016 and last installment falls due on February, 2021.
Account no. - S-40204597	4.75	Loan is repayable in monthly installments of ₹ 11,403/- commencing from July, 2016 and last installment falls due on June, 2021.
Account no. - S-39624955	5.98	Loan is repayable in monthly installments of ₹ 14,334/- commencing from July, 2016 and last installment falls due on June, 2021.



ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

17.2 Trade payable

[₹ in Lacs]

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
Micro, Small and Medium Enterprise	0.00	0.00	0.00
Other trade payable (Refer note below)	927.46	1 919.51	545.87
Total	927.46	1 919.51	545.87

Acceptance and Other trade payables are not-interest bearing and are normally settled on 30-90 days terms

17.3 Other financial liabilities

[₹ in Lacs]

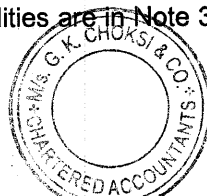
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-current			
Security deposits from Employees	1.51	1.51	1.51
	1.51	1.51	1.51
Current			
Current maturity of long term borrowings	7.28	4.76	1.49
Book Overdraft	168.57	345.47	0.00
Interest accrued and due	766.99	1 086.20	502.77
Interest accrued and not due	0.00	0.16	0.06
Other financial liabilities	0.00	0.09	0.02
	942.84	1 436.68	504.34
Total :	944.35	1 438.19	505.85

17.4 Financial liabilities by category

[₹ in Lacs]

Particulars	FVTPL	FVOCI	Amortised cost
March 31, 2017			
Borrowings	0.00	0.00	4 136.33
Trade payable	0.00	0.00	927.46
Other financial liabilities	0.00	0.00	944.35
Total Financial liabilities	0.00	0.00	6 008.14
March 31, 2016			
Borrowings	0.00	0.00	9 791.26
Trade payable	0.00	0.00	1 919.51
Other financial liabilities	0.00	0.00	1 438.19
Total Financial liabilities	0.00	0.00	13 148.96
April 1, 2015			
Borrowings	0.00	0.00	7 709.61
Trade payable	0.00	0.00	545.87
Other financial liabilities	0.00	0.00	505.85
Total Financial liabilities	0.00	0.00	8 761.33

Fair value disclosures for financial assets and liabilities are in Note 32(i) and fair value hierarchy disclosures for investment are in Note 32(ii).



ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

18 Provisions

[₹ in Lacs]			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Long-term			
Provision for employee benefits (refer Note 35)			
Provision for leave encashment	14.43	5.05	2.50
Provision for Gratuity	0.00	17.34	9.39
	<u>14.43</u>	<u>22.39</u>	<u>11.89</u>
Short-term			
Provision for employee benefits (refer Note 35)			
Provision for leave encashment	0.66	0.20	0.10
Provision for Gratuity	24.67	0.18	0.09
	<u>25.33</u>	<u>0.38</u>	<u>0.19</u>
Others			
Provision for contractual site expenses/Warranties	533.00	1 622.00	199.45
	<u>558.33</u>	<u>1 622.38</u>	<u>199.64</u>
Total	<u><u>572.76</u></u>	<u><u>1 644.77</u></u>	<u><u>211.53</u></u>

19 Other current liabilities

[₹ in Lacs]			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Advance from customers	70.03	1 430.86	123.94
Statutory dues	143.73	138.71	75.09
Other Payable	0.50	0.00	0.00
Total	<u><u>214.26</u></u>	<u><u>1 569.57</u></u>	<u><u>199.03</u></u>

20 Other current tax liabilities(net)

[₹ in Lacs]			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
For Taxation (Net of Advance Tax)	206.53	249.04	46.38
Total	<u><u>206.53</u></u>	<u><u>249.04</u></u>	<u><u>46.38</u></u>



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes to the Financial Statements

21 Revenue from operations

	[₹ in Lacs]	
Particulars	2016-2017	2015-2016
Sale of Products (Inclusive of Excise Duty)	9 907.58	11 393.11
Sale of services	836.91	529.24
Other Operating income		
Export incentives	273.25	77.72
Total :	11 017.74	12 000.07

Details of sale of goods and services
Sale of products (gross)

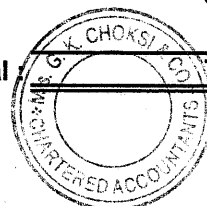
	[₹ in Lacs]	
Particulars	2016-2017	2015-2016
Manufactured Goods (Inclusive of Excise Duty)	345.93	357.27
Components and Equipments	5 190.64	7 469.52
Traded Goods	4 371.00	3 566.32
Total :	9 907.58	11 393.11

Sale of services

	[₹ in Lacs]	
Particulars	2016-2017	2015-2016
Consultancy Income	0.00	58.88
Operation and Management	813.41	419.65
Erectioning and Commissioning	23.50	50.71
Total :	836.91	529.24

22 Other income

	[₹ in Lacs]	
Particulars	2016-2017	2015-2016
Interest income	235.39	62.48
Rent	0.00	14.80
Other Non Operating Income		
Commission Income	0.00	1.40
Foreign Exchange Fluctuation	44.05	0.00
Sundry credit balances back	27.37	4.69
Liquidated damages	24.49	0.00
Provision no longer required	363.27	62.63
Miscellaneous	5.53	2.61
Total	700.10	148.61



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes to the Financial Statements

23 Cost of raw materials and components consumed

[₹ in Lacs]

Particulars	2016-2017	2015-2016
Stock at the beginning of the year	570.11	106.10
Add : Purchases	935.06	3 881.53
	<u>1 505.17</u>	<u>3 987.63</u>
Less : Inventory at the end of the year	143.90	570.11
Total :	<u><u>1 361.27</u></u>	<u><u>3 417.52</u></u>

24 Purchases of stock-in-trade

[₹ in Lacs]

Particulars	2016-2017	2015-2016
Purchase of stock in trade	3 672.47	2 444.33
Total :	<u><u>3 672.47</u></u>	<u><u>2 444.33</u></u>

25 Changes in inventories of finished goods, work-in-progress and stock-in-trade

[₹ in Lacs]

Particulars	2016-2017	2015-2016
Stock at the end of the year		
Stock-in-trade	546.92	604.31
Stock at the beginning of the year		
Stock-in-trade	604.31	1 412.19
(Increase) / Decrease in stocks	<u><u>57.39</u></u>	<u><u>807.88</u></u>

26 Employee benefits expense

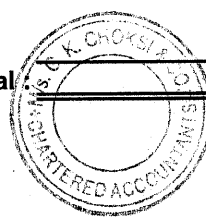
[₹ in Lacs]

Particulars	2016-2017	2015-2016
Salaries, wages, gratuity, bonus, commission, etc. (Refer Note 34)	1 216.19	867.07
Contribution to provident and other funds	58.29	50.75
Total :	<u><u>1 274.48</u></u>	<u><u>917.81</u></u>

27 Finance costs

[₹ in Lacs]

Particulars	2016-2017	2015-2016
Interest expense - On vehicle Loans	2.85	1.61
Interest expense - On short term Borrowings	557.09	784.05
Total :	<u><u>559.94</u></u>	<u><u>785.66</u></u>



ARVIND ENVISOL LIMITED
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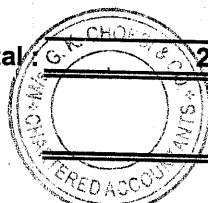
Notes to the Financial Statements

28 Depreciation and amortization expense

	[₹ in Lacs]	
Particulars	2016-2017	2015-2016
Depreciation on Tangible assets	29.87	22.68
Amortization on Intangible assets	125.28	125.34
Total :	155.15	148.02

29 Other expenses

	[₹ in Lacs]	
Particulars	2016-2017	2015-2016
Labour Charges	427.51	123.23
Patent Related Expenses	15.37	50.66
Operation & Management expenses	432.09	138.90
Excise Duty	33.20	29.76
Compensation	0.00	10.87
Site Management Expenses	37.06	11.09
Services Mechanical	535.76	1 582.80
Stors and Spares	11.89	0.29
Hire Charges	160.14	0.84
Electricity Charges	2.30	1.85
Rent	30.31	20.00
Repairs and Maintainance	19.04	11.41
Insurance Expense	19.39	14.57
Rates and Taxes	60.46	4.52
Legal and Professional Expenses	51.80	64.53
Auditors Remuneration	4.60	3.15
Travelling & Conveyance	230.15	115.92
Transportation charges	149.10	105.10
Exhibition and Seminar Expenses	6.26	14.10
Other Selling and Distribution expenses	7.25	22.00
Foreign Exchange Flucuation	0.00	43.65
Bank Charges	38.34	52.95
Securities Expenses	18.40	5.66
Telephone Expense	13.67	9.36
Sundry Balances Written Off	14.06	0.73
Miscellaneous Expenditure	30.82	14.37
Donations		
CSR	12.00	0.00
Others	0.85	0.05
	12.85	0.05
Project Balance Written off	244.85	0.00
Bad Debts	92.25	0.00
Loss on sale of Fixed Assets (Net)	1.33	0.91
Total :	2 700.25	2 453.24
Auditor's Remuneration is made of Statutory Audit Fees	4.60	3.15



ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

30 Income tax

The major component of income tax expense for the years ended March 31, 2017 and March 31, 2016 are :

Particulars	[₹ in Lacs]	
	2016-2017	2015-2016
Statement of Profit and Loss		
Current tax		
Current income tax	421.00	204.00
Deferred tax		
Deferred tax expense and MAT Credit Utilised	317.10	(323.56)
Income tax expense reported in the statement of profit and loss	738.10	(119.56)

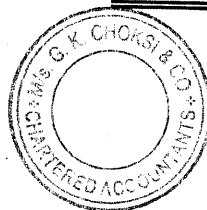
OCI Section

Particulars	[₹ in Lacs]	
	2016-2017	2015-2016
Statement to Other comprehensive income (OCI)		
Deferred tax related to items recognised in OCI during the year		
Net loss/(gain) on actuarial gains and losses	5.82	(0.24)
Deferred tax charged to OCI	5.82	(0.24)

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2017 and March 31, 2016.

Reconciliation of Income Tax and Accounting Profit

Particulars	[₹ in Lacs]	
	2016-2017	2015-2016
Accounting profit before tax	1 920.07	1 174.91
Tax @ 34.608% (March 31, 2016: 34.608%)	664.50	406.61
Adjustment		
Other non-deductible expenses	12.36	96.61
In respect of current income tax of previous year	55.43	(622.78)
At the effective income tax rate of 38.14% (March 31, 2016 : (10.18%))	732.28	(119.56)



... Continued..

ARVIND ENVISOL LIMITED
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Notes to the Financial Statements

30 Income tax ... Continued..

Deferred tax

[₹ in Lacs]

Particulars	Balance Sheet			Statement of Profit and Loss	
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016
Accelerated depreciation for tax purposes	(126.85)	(129.96)	(118.79)	(3.11)	11.17
Expenditure allowable on payment basis	13.38	11.97	78.44	(1.41)	66.47
Expenditure allowable over the period (Section 35D / 35DD)	1.86	3.34	0.00	1.48	(3.34)
Unused losses available for offsetting against future taxable income	0.00	202.48	8.87	202.48	(193.61)
Unused tax credit available for offsetting against future taxable income	172.17	284.00	80.00	111.83	(204.00)
Deferred tax expense / (income)				199.45	(119.32)
Net deferred tax assets / (liabilities)	60.55	371.84	48.52	311.28	(323.32)

Reflected in the balance sheet as follows

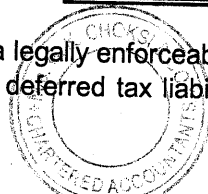
Deferred tax Liabilities	(126.85)	(129.96)	(118.79)
Deferred tax Assets	187.41	501.80	167.31
Deferred tax Assets (net)	<u>60.55</u>	<u>371.84</u>	<u>48.52</u>

Reconciliation of deferred tax assets / (liabilities), net

[₹ in Lacs]

Particulars	March 31, 2017	March 31, 2016
Opening balance as of April 1	371.84	48.52
Tax income/(expense) during the year recognised in profit or loss	(305.47)	323.08
Tax income/(expense) during the year recognised in OCI	(5.82)	0.24
Closing balance as at March 31	<u>60.55</u>	<u>371.84</u>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.



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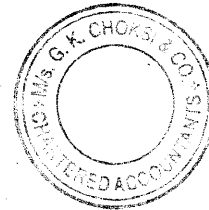
Notes to the Financial Statements

31 Earning per Share

Particulars	2016-2017	2015-2016
Net Profit/(Loss) for the year (₹ in Lacs)	1 198.77	1 293.70
Number of equity shares	2 10 000	50 000
Number of equity shares (Weighted Average)	1 30 658	50 000
Nominal value of the share (₹)	10.00	10.00
Basic Earning per Share (₹)	917.49	2 587.40
Diluted Earning per Share (₹)	917.49	2 587.40

Note

The company has issued 1,60,000 Equity Shares during the year.



ARVIND ENVISOL LIMITED
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Notes forming part of accounts

32 (i) Fair value disclosures for financial assets and financial liabilities

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

[₹ in Lacs]

Particulars	Carrying amount			Fair value		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Financial assets						
Investments measured at fair value through OCI	-	3492.00	3492.00	-	3492.00	3492.00
Financial liabilities						
Borrowings	22.57	19.00	7.04	22.57	19.00	7.04

The management assessed that the fair values of cash and cash equivalents, other bank balances, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The management assessed that fair values for vehicle loan (Borrowing) from bank would approximate their carrying values. This is due to the interest rates for similar instruments (vehicle loans) have not changed significantly as at March 31, 2017, 2016 and April 1, 2015 compared to the interest rates at which such vehicle loans have been availed.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values

Reconciliation of fair value measurement of assets classified as FVOCI assets:

[₹ in Lacs]

Particulars	Equity Shares (Amount ₹)
As at April 1, 2015	3492.00
Re-measurement recognized in statement of Profit and Loss	--
Purchased during the year	--
Sold during the year	--
As at March 31, 2016	3492.00
Re-measurement recognized in statement of Profit and Loss	--
Purchased during the year	--
Sold during the year	3492.00
As at March 31, 2017	--



ARVIND ENVISOL LIMITED
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Notes forming part of accounts

32(ii) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2017, March 31, 2016 and April 1, 2015

[₹ in Lacs]

Particulars	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at March 31, 2017	Nil	Nil	Nil	Nil
As at March 31, 2016 Investment at fair value through Other Comprehensive Income	3492.00	--	--	3492.00

32(iii) Financial instruments risk management objectives and policies

The Company's principal financial liabilities, comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include Investments, loans given, trade and other receivables and cash & short-term deposits that derive directly from its operations.

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's risk management is carried out by management under the approved policies. Company's management identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units.

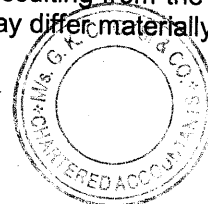
Market risk

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, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables and derivative financial instruments.

Within the various methodologies to analyse and manage risk, Company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- (i) a parallel shift of 50-basis points of the interest rate yield curves in all currencies.
- (ii) a simultaneous, parallel foreign exchange rates shift in which the INR appreciates / depreciates against all currencies by 2%

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit & loss may differ materially from these estimates due to actual developments in the global financial markets.



ARVIND ENVISOL LIMITED
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Notes forming part of accounts

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity, pension and other post-retirement obligations and provisions.

The following assumption has been made in calculating the sensitivity analyses:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2017, March 31, 2016 and April 1, 2015 including the effect of hedge accounting.

Interest Rate Risk

Interest rate risk arises from the sensitivity of financial assets and liabilities to changes in market rates of interest. The Company is exposed to interest rate risk because the company borrows fund at both fixed and floating interest rate. The risk is managed and mitigated by the company by maintaining an appropriate mix between fixed rate borrowings and floating rate borrowings based on the interest rate trend in the market.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

[₹ in Lacs]

Particulars	Effect on profit before tax	Effect on pre-tax equity
March 31, 2017		
Increase in 50 basis points	(27.33)	(29.16)
Decrease in 50 basis points	27.33	29.16
March 31, 2016		
Increase in 50 basis points	(38.33)	(38.33)
Decrease in 50 basis points	38.33	38.33
April 1, 2015		
Increase in 50 basis points	(21.20)	(21.20)
Decrease in 50 basis points	21.20	21.20

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 transacts business in local currency and in foreign currency, primarily in USD. The Company has obtained foreign currency loans and has foreign currency trade payables and receivables etc. and is, therefore, exposed to foreign exchange risk. The Company may use forward contracts towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate.



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Notes forming part of accounts

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR and GBP rates to the functional currency of respective entity, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The impact on the Company's pre-tax equity is due to changes in the fair value of foreign currency monetary items designated as cash flow hedge.

Particulars	Change in USD rate	Effect on profit before tax (₹ in Lacs)
March 31, 2017	+2%	19.23
	-2%	(19.23)
March 31, 2016	+2%	19.31
	-2%	(19.31)
March 31, 2015	+2%	4.42
	-2%	(4.42)

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 from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 14 days to 30 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counter-parties who meet the minimum threshold requirements under the counterparty risk assessment process. The Company monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the group adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk for the components of the Balance sheet as of March 31, 2017, March 31, 2016 & April 1, 2015 is the carrying amount as disclosed in Note 32.



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes forming part of accounts

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt and overdraft from both domestic and international banks at an optimized cost. It also enjoys strong access to domestic capital markets across equity.

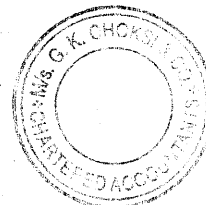
The table below Summarized the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

[₹ in Lacs]

Particulars	On Demand	Less than to 3 months	3 Months to 1 year	1 Year to 5 years	More than 5 years
Year ended March 31, 2017					
Interest bearing borrowings*	3953.42	160.34	7.28	22.57	--
Trade payables	467.02	389.04	71.40	--	--
Other financial liabilities#	935.56	--	--	1.51	--
Derivatives					
	5356.00	549.38	78.68	24.08	--
Year ended March 31, 2016					
Interest bearing borrowings*	9772.26	--	4.76	19.00	--
Trade payables	768.05	671.68	479.78	--	--
Other financial liabilities#	1431.92	--	--	1.50	--
Derivatives					
	11972.23	671.68	484.54	20.50	--
Year ended April 1, 2015					
Interest bearing borrowings*	7702.57	--	1.49	7.05	--
Trade payables	293.82	153.42	87.67	10.96	--
Other financial liabilities#	502.85	--	--	1.51	--
Derivatives					
	8499.24	153.42	89.16	19.52	--

* Includes contractual interest payment based on interest rate prevailing at the end of the reporting period over the tenor of the borrowings.

Other financial liabilities includes interest accrued but not due of ₹ NIL (March 31, 2016 : ₹ 0.16 Lacs and April 1, 2015 : ₹ 0.006 Lacs).



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes forming part of accounts

33. Contingent Liabilities and Capital commitments

[₹ in Lacs]

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 01 st April, 2015
Contingent Liabilities			
Bank Guarantee given by bank on behalf of company	194.67	3973.51	NIL
Capital Commitments and Other Commitments	NIL	NIL	NIL

34. Scheme of Demerger

The board of directors of the company in their meeting approved the scheme of amalgamation between Arvind Envisol Limited (Transferee Company) and Arvind Envisol Private Limited (Transferor Company) for Amalgamation of the above mentioned companies with effect from 1st April, 2015 as per the scheme tabled in the meeting.

The Transferor Company has been amalgamated with the Company with effect from 1st April, 2015.

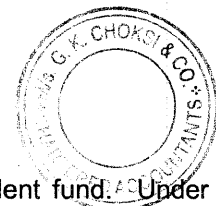
Amalgamation of Arvind Envisol Private Limited with the company:

- (a) In the terms of the Scheme of Amalgamation (Scheme) sanctioned by order dated 12th August, 2016 (notified on 3rd September, 2016) of the Hon'ble High Court of Gujarat, the Transferor Company - Arvind Envisol Private Limited has been amalgamated with the company with effect from 1st April, 2015 (that being the appointed date of the Scheme). Accordingly, all the assets and liabilities of the Transferor Company have been transferred to and vested in the Transferee Company with effect from 1st April, 2015.
- (b) In accordance with the Scheme
- (i) All the assets, liabilities, rights and obligations of the Transferor Company have been vested in Arvind Envisol Limited (Transferee Company) with effect from 1st April, 2015 and have been recorded at their respective book values.
 - (ii) Arvind Envisol Private Limited being the wholly owned subsidiary of Arvind Envisol Limited (Transferee Company), no consideration has been paid for the amalgamation.
 - (iii) The amount of difference between the value of assets and the value of liabilities transferred pursuant to the scheme has been recognized Amalgamation Adjustment Reserve.
 - (iv) The Investment of the Company ₹ 1.00 Lacs being 10,000 equity shares of ₹ 10/- each, has been adjusted against the Share Capital of the Transferor Company.
 - (v) Pursuant to the Scheme, the name of the company is required to be changed to Arvind Envisol Limited from Arvind Accel Limited w.e.f. 16th November, 2016 and accordingly object clause have been changed.

35. Employee Benefits

- (a) Defined contribution plan
Provident fund

The company makes contribution towards employees' provident fund. Under the rules of this scheme, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognized ₹ 49.23 Lacs (P. Y. ₹ 38.03 Lacs) as expense towards contribution to this plan.



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes forming part of accounts

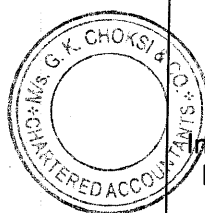
(b) Defined benefit plan

Gratuity

Disclosures for defined benefit plans based on actuarial reports as on March 31, 2017:

[₹ in Lacs]

Particulars	2016-2017	2015-2016
Changes in Present Value of Obligations		
- Present Value of Obligation as at the beginning of the year	19.33	12.40
- Interest Cost	0.65	0.1
- Current Service Cost	2.57	6.77
- Actuarial (Gains) / Losses on Obligations		
Due to change in Demographic Assumptions	--	--
Due to change in Financial Assumptions	1.37	0.29
Due to experience	15.60	0.41
- Benefits paid	(12.89)	(1.53)
- Present value of Obligation as at the end of the year	26.64	19.34
Changes in fair value of plan assets		
- Fair Value of Plan Assets at the beginning of the year	1.82	1.82
- Expected Return on Plan Assets	0.14	--
- Contributions	NIL	NIL
- Actuarial Gain / (loss) on Plan Assets	NIL	NIL
- Benefits paid	NIL	NIL
- Fair Value of Plan Assets at the end of the year	1.97	1.82
Amount recognized in balance sheet		
- Present Value of Obligations as at the end of the year	26.64	19.34
- Fair value of plan Assets as at the end of the year	1.97	1.82
- Net Liability / (Asset) recognized in Balance sheet	24.68	17.52
Expenses recognized in the Statement of Profit and loss		
- Current Service Cost	2.58	6.77
- Interest Cost	0.65	1.00
- Expenses Recognized in the Statement of Profit & Loss	3.23	7.77
Expenses recognized in the Other Comprehensive Income (OCI)		
Actuarial (Gains)/Losses on obligations	16.95	0.69
Return on Plan assets, excluding Interest Income	(0.14)	--
Change in Asset Ceiling	--	--
Net (Income) / Expense recognized in OCI	16.81	0.69
Assumptions		
Discount rate	7.52%	7.96%
Rate of Salary Increase	4.00%	4.00%
Rate of employee turnover	2.00%	2.00%
Rate of return on plan assets	7.52%	--
Age of Retirement	58 Years	58 Years
Mortality Rate	Indian Assured lives Mortality (2006-2008)	Indian Assured lives Mortality (2006-2008)



...Continued..

ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes forming part of accounts

Other details

[₹ in Lacs]

Particulars	2016-2017	2015-2016
Number of active members	173	122
Per month salary for active members	32.84	18.02
Weighted Average Duration of the Projected Benefit Obligation	13	13
Average Expected Future Service	18	18
Projected Benefit Obligation	26.63	11.12
Prescribed Contribution for next year (12 months)	32.85	
The difference between projected pay out based on opening data and actual pay out	--	1.53
The difference between projected contribution based on funding status and actual contribution	--	--

Net Interest cost for next year

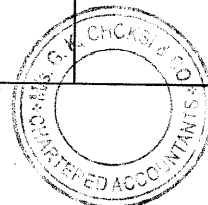
[₹ in Lacs]

Particulars	2016-2017	2015-2016
Present value of benefit obligation at the end of the period	26.64	11.12
(Fair Value of Plan assets at the end of the period)	(1.97)	--
Net Liability / (Asset) at the end of the period	24.68	11.12
Interest Cost	2.00	0.89
Interest Income	(0.14)	--
Net Interest Cost for next year	1.85	0.89

Expenses recognized in the Statement of Profit or Loss for next year

[₹ in Lacs]

Particulars	2016-2017	2015-2016
Current Service Cost	10.43	5.20
Net Interest Cost	1.85	0.89
Expected Contributions by the Employees	--	--
Expenses Recognized	12.28	6.08



ARVIND ENVISOL LIMITED
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Notes forming part of accounts

Sensitivity Analysis of significant actuarial assumptions for Gratuity

Significant actuarial assumptions for the determinations of the defined benefit obligation are discount rate, attrition rate and expected salary increase. The Sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumption constant. The results of sensitivity analysis is given below:

[₹ in Lacs]

Particulars	2016-2017	2015-2016
Projected Benefit Obligation on current assumptions	26.64	19.34
Discount Rate		
1% Increase	(2.96)	(2.19)
1% Decrease	3.52	2.60
Salary Increase		
1% Increase	3.61	2.68
1% Decrease	(3.08)	(2.29)
Attrition rate		
1% Increase	0.74	0.63
1% Decrease	(0.90)	(0.78)

The Expected Cash flow of gratuity over the next few years are as follows:

[₹ in Lacs]

Particulars	2016-2017	2015-2016
Within the next 12 months (next annual reporting date)	0.52	0.18
Between 2 to 5 years	3.81	6.11
Beyond 5 years	13.99	25.88

36. Segment Reporting

The operating segment of the company is identified to be " **Manufacturing and trading of Components & Equipments and other related consumables** ", as the Chief Operating Decision Maker (CODM) reviews business performance at an overall company level as one segment and hence, does not have any additional disclosures to be made under Ind AS 108 Operating Segments.

However, The Company has two geographical segments "India and rest of world", revenue from the geographic segments based on domicile of the customer are as follows:

[₹ in Lacs]

Description	India	Rest of the world	Total
Revenues			
- Year ended 31 st March, 2017	6177.72	3729.87	9907.58
- Year ended 31 st March, 2016	6383.43	5009.69	11393.11

The company does not disclose information relating to Assets and Liabilities located in India and rest of the world as the necessary information is not available and the cost to develop it, would be expensive.



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes forming part of accounts

37. Related Party Disclosures

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

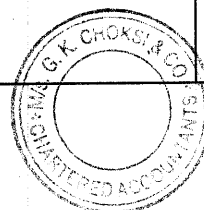
(a) List of related parties with whom transactions have taken place during the year and relationship:

Sr. No.	Name of related party	Relationship
1	Shri Dinesh Yadav	Key Managerial Personnel
2	Arvind Limited	Holding Company
3	Anup Engineering Limited	Fellow Subsidiary
4	Arvind Brands and Retail Limited	Fellow Subsidiary
5	Dholka Textiles Private Limited	Fellow Subsidiary

(b) Transactions with related parties

[₹ in Lacs]

Sr. No.	Nature of transaction	2016-2017	2015-2016
(i)	Sale of goods - Holding Company	1036.18	209.08
(ii)	Interest Income - Fellow Subsidiary	4.50	1.12
(iii)	Interest Expenses/Rent Expenses - Holding Company - Fellow Subsidiary	313.44 90.20	755.320 0.02
(iv)	Reimbursement of Expenses - Holding Company	253.80	14.31
(v)	Purchase of Goods - Holding Company	10.88	--
(vi)	Loans Taken - Holding Company - Fellow Subsidiary	24,015.67 3545.09	9682.52 100.00
(vii)	Loans Repaid - Holding Company - Fellow Subsidiary	34127.81 100.03	7821.23 --
(viii)	Loan Given during the year - Fellow Subsidiary	841.25	4001.13
(ix)	Advance received back during the year - Fellow Subsidiary	--	0.11
(x)	Loan received back - Fellow Subsidiary	4005.06	--
(xi)	Sale of Services - Holding Company	130.74	127.23



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes forming part of accounts

37. Related Party Disclosures

(c) Outstanding Balances as at March, 31st 2017

[₹ in Lacs]

Sr. No.	Nature of transaction	As at 31 st March, 2017	As at 31 st March, 2016	As at 01 st April, 2015
(i)	Due to Holding Company			
	- As Unsecured Loans (including interest accrued)	646.31	10758.44	8200.85
	- As Trade payable	290.08	114.97	34.22
	- As Advance from Customers	--	53.38	40.03
(ii)	Due from Holding Company			
	- As Sundry Debtors	549.30	173.47	104.80
(iii)	Due to Fellow Subsidiary Company			
	- As Unsecured Loans (including interest accrued)	3545.09	100.03	--
(iv)	Due From Fellow Subsidiary Company			
	- As Unsecured Loans (including interest accrued)	8,37.21	4001.02	--
(v)	Investment in			
	- Fellow Subsidiary	--	3492.00	3492.00

Note :

Terms and conditions of transactions with related parties

(i) Borrowings

- (a) No repayment schedule has been fixed in case of above mentioned borrowings in the nature of loans received from holding company and are repayable on demand.

Loans in INR taken from the related party carries interest rate 10.25% (March 31, 2016: 10.25% & April 1, 2015: 10.75%).

- (b) No repayment schedule has been fixed in case of above mentioned Loans & Advances in the nature of loans given to Fellow Subsidiary Companies and are repayable on demand.

Loans in INR given to the related party carries interest rate of 8% - 10.25 % (March 31, 2016: 10.25% & April 1, 2015: 10.75%).

- (ii) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances other than loan given & taken and fair value of financial guarantee contract, at the year-end are unsecured and interest free and settlement occurs in cash.

(iii) Commitments with related parties

The Company has not provided any commitment to the related party as at March 31, 2017 ₹ NIL (March 31, 2016: ₹ Nil and April 1, 2015: ₹ Nil).



ARVIND ENVISOL LIMITED
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Notes forming part of accounts

38. Lease Rent

Operating Lease

Lease Accounting

The Company has significant operating leases for premises. These lease arrangements are for a period of 11 months with a option to renew for the period more than one year.

[₹ in Lacs]

Particulars	2016-2017	2015-2016
The Future Minimum Lease Payments under Operating Leases in the aggregate and for each of the following:		
(i) Not later than one year	30.30	19.99
(ii) More than one year and not later than five years	NIL	NIL
(iii) Later than five years	NIL	NIL

- 39.** Pursuant to IND AS - 37, Provisions, Contingent Liabilities and Contingent Assets, the disclosure relating to provisions made in the accounts for the year ended 31st March, 2017 is as follows:

[₹ in Lacs]

Particulars	Provision for Contractual Obligations
Opening Balance	1622.00
Additions	533.00
Payments	1258.73
Reversals	363.27
Closing Balance	533.00

Note :

Product Warranties: The Company gives warranties on certain products and services, undertaking to repair or replace the items that fail to perform satisfactory during the warranty period. Provision made as at 31st March, 2017 represents the amount of the expected cost of meeting such obligation of rectification/replacement. The timing of the outflows is expected to be within a period of one year from the date of balance sheet.



ARVIND ENVISOL LIMITED
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Notes forming part of accounts

40. Capital management

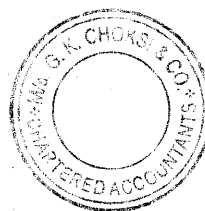
For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance).

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 01 st April, 2015
Interest-bearing loans and borrowings (Refer note no. 17)	4 113.76	9 772.26	7 702.57
Less: cash and cash equivalent (including other bank balance) (Note 10)	23.01	24.25	78.18
Net debt	4090.75	9748.01	7624.39
Equity Share Capital (Note 15)	21.00	5.00	5.00
Other equity (Note 16)	1 390.66	(581.13)	(1 875.29)
Total capital	1 411.66	(576.13)	(1 870.29)
Capital and net debt	5502.41	9171.88	5754.10
Gearing ratio	74.34	106.28	132.50

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 period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017, March 31, 2016 and April 1, 2015.



ARVIND ENVISOL LIMITED
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Notes forming part of accounts

41. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS:

1. Reconciliation between previous GAAP and Ind AS

[₹ in lacs]

Particulars	Notes	As at March 31, 2016	As at April 1, 2015
Equity under previous GAAP		(1 322.17)	(1 874.43)
Adjustment on account of merger (Refer Note No. 34)		(1 046.83)	--
Impact of fair valuation of financial instruments	(i)	--	--
Other adjustments		--	(0.85)
Tax impact on Ind AS adjustments	(ii)	(305.79)	--
Equity as per Ind AS		(581.13)	(1 875.29)

2. Reconciliation of total comprehensive income reconciliation for the year ended March 31, 2016

Particulars	As at March 31, 2016
Profit after tax as per previous GAAP	2.56
Adjustment on account of merger (Refer Note No. 34)	1144.27
Reclassification of Re-measurement gains / (losses) on defined benefit plans to Other comprehensive income (Refer note (iii) below)	0.70
Tax impacts on Ind AS adjustments	145.69
Profit after tax as per Ind AS	1293.22
Other comprehensive income (net of tax)	
Re-measurement gains / (losses) on defined benefit plans (net of tax)	0.94
Total Comprehensive Income under Ind AS, net of tax	1294.16

Notes to the reconciliation of equity as at April 1, 2015 and March 31, 2016 and total comprehensive income for the year ended March 31, 2016

(i) Impact of fair valuation of Financial Instruments

Under previous GAAP, the long-term investments were measured at cost less permanent diminution in value, if any. Ind AS requires all investments to be measured at fair value at the reporting date and all changes in the fair value subsequent to the transition date to be recognised either in the Statement of profit and loss or Other Comprehensive Income (based on the category in which they are classified).



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Notes forming part of accounts

(ii) Tax impacts on Ind AS adjustments

The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach under previous GAAP) for computation of deferred tax has resulted in adjustment to Reserves, with consequential impact in the subsequent periods to the Statement of profit and loss or Other comprehensive income, as the case may be.

(iii) Re-measurement gain / loss on defined benefit plan

Under Ind AS, re-measurement i.e. actuarial gain loss and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurement were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended on March 31, 2016 increased by ₹ 0.70 lacs . There is no impact on the total equity as at March 31, 2016.

(iv) Retained earnings

Retained earnings as at April 1, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

(v) Classification & Presentation

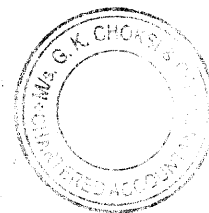
Excise duty

Under the previous GAAP, sale of goods was presented as net of excise duty. Under Ind AS, revenue from sale of products is presented inclusive of excise duty. The excise duty paid on sale of products is separately presented on the face of statement of profit and loss as a part of expense. Thus sale of goods under Ind AS has increased by ₹ 29.75 Lacs with a corresponding increase in other expense.

(vi) Statement of cash flows

The impact of transition from previous GAAP to Ind AS on the statement of cash flows is due to various reclassification adjustments recorded under Ind AS in Balance sheet and Statement of profit and loss and difference in the definition of cash and cash equivalents under these two GAAPs like bank overdraft.

42. Balances of debtors, creditors, loans, advances and deposits are subject to confirmation by the parties concerned.



ARVIND ENVISOL LIMITED
(Formerly known as Arvind Accel Limited)

Notes forming part of accounts

43. The company does not enter into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The company does not enter into any derivative instruments for trading or speculative purposes.

(i) The foreign currency exposure not hedged as at 31st March, 2017 are as under:

Nature of Exposure	Currency	As at 31 st March, 2017		As at 31 st March, 2016		As at 01 st April, 2015	
		Foreign Currency	₹ in Lacs	Foreign Currency	₹ in Lacs	Foreign Currency	₹ in Lacs
Receivables	USD	14.95	968.66	14.36	950.97	--	--
		14.95	968.66	14.36	950.97	--	--
Payable to Creditors	USD	0.17	11.15	--	--	0.005	0.34
	EUR	--	--	0.11	7.1	0.61	41.24
	SEK	--	--	1.09	8.95	--	--
		0.17	11.15	1.20	16.06	0.61	41.58
Advance to Creditors	USD	0.28	18.47	--	--	3.53	221.32
	EUR	0.16	11.53	--	--	--	--
		4.46	30.02	--	--	3.53	221.32
Short Term Borrowings	USD	10.18	689.35	--	--	--	--
		10.18	689.35	--	--	--	--

44. Due to Micro, Small and Medium Enterprise

[₹ in Lacs]

Sr. No.	Particulars	2016-2017	2015-2016	2014-2015
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	NIL	NIL	NIL
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL	NIL
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	NIL	NIL	NIL
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL	NIL
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	NIL	NIL	NIL

The Company has initiated the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) but has not received the same in totality. The above information is compiled based on the extent of responses received by the company from suppliers.

ARVIND ENVISOL LIMITED
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Notes forming part of accounts

45. Corporate Social Responsibility

- (a) Gross amount required to be spent by the company during the year is ₹ 12.51 Lacs
- (b) The amount spent during the year on:

[₹ in Lacs]

Sr. No.	Particulars	In cash / cheque	Yet to be paid in cash / cheque	Total (₹)
(i)	Construction / acquisition of any assets	--	--	--
(ii)	On purposes other than (i) above.	12.00	--	12.00

46. Disclosure on Specified Bank Notes (SBNs)

During the year, the Company had specified bank notes or other denomination notes as defined in the MAC notification G.S.R. 308(E) dated 31st March, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBNs and other notes as per the notification is given below:

[₹ in Lacs]

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8 th November, 2016	0.12	0.029	0.149
(+) Permitted receipts	0	0.26	0.26
(-) Permitted payments	0	0.27	0.27
(-) Amount deposited in Banks	0.12	0	0.12
Closing cash in hand as on 30th December, 2016	0	0.018	0.018

47. Statement of Management

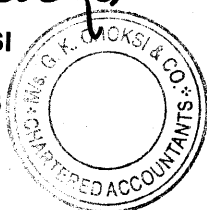
- (a) The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary.
- (b) Balance Sheet and Statement of Profit and Loss read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and results of the Company for the year under review.

As per our attached report of even date.

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]
Chartered Accountants

ROHIT K. CHOKSI
Partner
Mem. No. 31103



FOR AND ON BEHALF OF THE BOARD

NAISHADH I. PARIKH
Director
DIN : 00009314

DINESH J. YADAV
Director
DIN : 05148825

Place : Ahmedabad
Date : 9th May, 2017

Place : Ahmedabad
Date : 9th May, 2017

